

HOCK HENG STONE INDUSTRIES BHD.

(Company No. 840040-H)

(Incorporated in Malaysia)

MINUTES OF THE EIGHTH ANNUAL GENERAL MEETING OF THE COMPANY HELD AT THE BOARDROOM OF ORNARESORT BERHAD AT BATU 16, JALAN GAPAM, LADANG GAPAM, BEMBAN, 77200 JASIN, MELAKA ON MONDAY, 29 MAY 2017 AT 10:35 A.M.

- DIRECTORS** : Mr. Peter Yong Kuen Fook (*Independent Non-Executive Chairman*)
Mr. Low Kim Hock (*Managing Director*)
Mr. Low Kim Joo (*Executive Director*)
Mr. Low Kim Ong (*Executive Director*)
Mr. Low Yong Seng (*Executive Director*)
Mr. Chong Peng Khang (*Independent Non-Executive Director*)
Mr. Yap Koon Roy (*Independent Non-Executive Director*)
- MEMBERS** : As per Attendance List
- PROXY HOLDERS** : As per Attendance List
- INVITEES** : As per Attendance List
- IN ATTENDANCE** : Ms. Sean Ne Teo (*Company Secretary*)

CHAIRMAN

Mr. Peter Yong Kuen Fook ("**the Chairman**") was in the Chair. The Chairman welcomed all present to the Meeting and thanked them for attending the Eighth Annual General Meeting ("**AGM**") of the Company. The Chairman then called the Meeting to order at 10:35 a.m.

The Chairman introduced the Directors and Company Secretary at the head table.

PRESENTATION

The Chairman informed all present that the Company had received a letter from the Minority Shareholder Watchdog Group ("**MSWG**").

Mr. Lee Siang Ling, the Group Accountant, was invited to present the Company's reply to MSWG as follows:-

Strategy & Financial Matters

- Query 1

The Group maintains a sustainable level of inventories consist of raw material (raw blocks), work-in-progress (slab or strip) and finished goods (cut to size) to support production operations, reduce lead time for production and prevent shortages of raw materials and work-in-progress in the production.

- a) Based on the Group's wide range of inventories, what is the appropriate level of each inventory to maintain at any time?
- b) What are the current capacity utilization rates of all Group's plants and targeted utilization rates in FY2017?

HOCK HENG STONE INDUSTRIES BHD.

(Company No. 840040-H)
(Incorporated in Malaysia)

(Minutes of the Eighth Annual General Meeting held on 29 May 2017 - cont'd)

Reply to query 1

- a) Dimension stones are natural limited resources. The price of raw block is in increasing trend. Due to the limitation of supply of quality blocks and long transit time for raw materials from quarries, Turkey, Greece, China, India, Brazil and etc. to our factory, we need to order minimum quantity from quarry owner regularly to archive the cost efficiency and obtain good quality blocks.

The processing time from rough blocks to cut to size finished goods will take time as well. We have to grant some time for installation works and need to delivery early before date of completion set by main contractor. Therefore, we will maintain high turnover in work-in-progress (slab and strip) and finished goods (cut to size) to cater more demand within a shorter time frame.

Since our stocks are mineral and natural products, it is important for the Group to maintain a sustainable level of inventories to archive cost efficiency, quality blocks, and customers satisfaction. There is no proper method or procedure to set the specific appropriate level of each inventory in dimension stone industry to maintain at any time.

- b) The Group's production output level and capacity for cutting blocks into slabs, which is primary processing activity as follows:

2016	Mable slab	Granite slab
Actual production output (M2)	56,848	4,872
Production capacity (M2)	180,000	33,750
Utilisation rate	32%	14%

In view that our products is customise in accordance with the customer's specific requirement, the production lines do not always run on maximum capacity. In additional, the Group also purchase semi-processed granite and marble (slabs) to meet raw material requirements which not subject to block cutting process. The Group does not foresee any major constraints to the production capacity and that the production lines are flexible and can be up-scaled to meet the customer's demand. We are targeted to increase the utilisation rate for 2017.

- Query 2

Sale of goods segment

Please share on the improvements achieved in the production line in FY2016 and what sort of improvements that the Group aspired to achieve in FY2017?

Reply to query 2

During the financial year 2016, Hock Heng attained its highest sales of goods segment revenue ever of RM37.14 million (2015: RM29.41 million), exceeding the previous achieved in year 2015 by 26% and represent 73% of total Group's dimension stones revenue. This segment had achieved Hock Heng's dimension stones revenue target which set at 60% from sales of goods segment and 40% from construction segment.

HOCK HENG STONE INDUSTRIES BHD.

(Company No. 840040-H)

(Incorporated in Malaysia)

(Minutes of the Eighth Annual General Meeting held on 29 May 2017 - cont'd)

Looking forward into year 2017, the weakening Malaysian Ringgit and industry competition will continue to pose challenges to Malaysian business in coping with the risk of higher operating costs. We will focus on managing inventories to maintain and uphold the quality standard of raw materials and customers satisfaction.

- Query 3

Construction segment

- a) What is the Group's current construction orderbook and how long would it take for the Company to sustain without any new orderbook?
- b) Please update shareholders on the stages of completion for each of the construction projects as follows:-
- Four Season (Jalan Ampang, Kuala Lumpur)
 - Parliament of Malaysia (Kuala Lumpur)
 - TTDI Harta Sdn. Bhd. (Jalan Damansara, Kuala Lumpur)

Reply to query 3

- a) Hock Heng's current major construction projects are as following:

Projects	Contract Sum & Variation Order (RM'000)	Claimed in 2016 (RM'000)	Balance (RM'000)
- Sky Residence Tower D	1,800	1,546	254
- Four Season	5,693	3,349	2,344
- Parliament of Malaysia	4,121	2,421	1,700

Construction segment under our Group define as supply and installation of dimension stones and related products for projects secured and is completed over a period of more than 6 months. Normally we will complete within 1 year under construction segment. The above projects estimate will be completed in second quarter of 2017 and Hock Heng had projects in tendered such as Banyan Tree Hotel Lobby, Bukit Jalil City - The Park Residence - Phase 2, Tabung Haji Hotel and Conventional Centre in Sepang, LRT 3 Package GS03, Sky Seputeh and Desa Park City. The total contract amounts in tendered is approximately RM25 million.

- b) Status updates as per our progress billing:

Projects	Stage of completion
Four Season	80%
Parliament of Malaysia	86%
TTDI Harta Sdn. Bhd.	100%

HOCK HENG STONE INDUSTRIES BHD.

(Company No. 840040-H)
(Incorporated in Malaysia)

(Minutes of the Eighth Annual General Meeting held on 29 May 2017 - cont'd)

- Query 4

Development Properties Segment

The segment had provided its maiden contribution to the Group by delivering the revenue of approximately RM6 million, representing 10.7% to the total Group's revenue. Could the segment performance be sustainable in FY2017? What is the expected contribution for the next 24 months?

Reply to query 4

The Group has generated revenue from property development segment of RM6 million from the residential project called Taman Suteara Wangi Seksyen 2 in Batu Berendam, Melaka. This residential project is foreseen to be completed in 2017 and is expected to contribute approximately RM6 million in 2017.

Going forward to year 2018, we are planning to commence a newly mixed development project which consists of residential houses and commercial buildings measuring approximately 40 acres. This mixed development project will generate more revenue and is expected to boost up the Group's revenue and profit.

- Query 5

Trade Receivables

As at 31 December 2016, the Group had impaired as much as RM691,991 under the trade receivables accounts, which had increased by 38.4% compared to the previous year figure (2015: RM499,929).

Is the amount of RM691,991 recoverable? What measures have been taken to improve the collection of these receivables? Please elaborate.

Reply to query 5

The majority of the amount impaired will be recoverable in year 2017. Up to date, we have received approximately 60% of the impaired amount. We generally grant our customers credit terms within the range between 30 days to 90 days upon assessment being carried out and approved. We will regularly review the trade receivables aging and monitor subsequent collection of debts. In addition, we also maintain proper follow up procedures which include sending out reminder letters and calls, field visits and initiating legal procedures to recover any long outstanding debts whenever required to reduce the impairment amount in future.

Corporate Governance Matters

- Query 1

The Group is seeking shareholders' approval under the Resolution 2 for the payment of Directors' fees and any benefits payable up to an amount of RM165,800.00 from 1 January 2017 until the next Annual General Meeting of the Company.

Please provide the breakdown of the Directors' fees and any benefits payable to the Directors.

HOCK HENG STONE INDUSTRIES BHD.

(Company No. 840040-H)

(Incorporated in Malaysia)

(Minutes of the Eighth Annual General Meeting held on 29 May 2017 - cont'd)

Reply to query 1

The breakdown of the Directors' fees and benefits payable are as follows:

	1.1.2017 to 31.5.2018
	RM
Directors' fees	153,000
Meeting allowances	12,800
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	165,800
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QUORUM

The requisite quorum being present pursuant to Article 73 of the Company's Articles of Association, the Chairman declared the Meeting duly convened.

NOTICE OF MEETING

The Notice convening the Meeting having been circulated within the prescribed period was, with the permission of the Meeting, taken as read.

POLL VOTING

The Chairman informed all present that Bursa Malaysia Securities Berhad had made it mandatory for poll voting for any resolution set out in the notice of general meeting with effect from 1 July 2016.

The Chairman then exercised his right as the Chairman of the Meeting pursuant to Article 77 of the Company's Constitution and demanded for poll to be conducted for all resolutions set out in the Notice of Eighth Annual General Meeting. The Chairman then gave an overview of the polling process.

The Chairman informed the Meeting that for administrative efficiency, the polling for all the resolutions will be conducted upon the completion of all deliberations of the resolutions in the agenda.

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

The Chairman informed the Meeting that the first item on the Agenda was to receive the Audited Financial Statements for the financial year ended 31 December 2016 together with the Reports of the Directors and the Auditors thereon.

Since there was no question raised from the shareholders, the Chairman declared the Audited Financial Statements for the financial year ended 31 December 2016 together with the Reports of the Directors and the Auditors thereon be received.

HOCK HENG STONE INDUSTRIES BHD.

(Company No. 840040-H)
(Incorporated in Malaysia)

(Minutes of the Eighth Annual General Meeting held on 29 May 2017 - cont'd)

2.0 RESOLUTION 1

- APPROVAL OF PAYMENT OF DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

The Chairman informed the Meeting that the second item on the Agenda was to approve the payment of Directors' fees for the financial year ended 31 December 2016. The Meeting noted that the amount proposed for Directors' fees in the Audited Financial Statements for the financial year ended 31 December 2016 was RM105,800/-.

Resolution 1 on the proposed payment of Directors' fees was proposed by Mr. Lee Siang Ling (*a shareholder*) and seconded by Mr. Low Sheng Kun (*a shareholder*).

3.0 RESOLUTION 2

- APPROVAL OF PAYMENT OF DIRECTORS' FEES AND ANY BENEFITS FROM 1 JANUARY 2017 UNTIL THE NEXT ANNUAL GENERAL MEETING

The Chairman informed the Meeting that the third item on the Agenda was to approve the payment of Directors' fees and any benefits payable up to an amount of RM165,800/- from 1 January 2017 until the next annual general meeting of the Company.

Resolution 2 on the proposed payment of Directors' fees and any benefits was proposed by Ms. Low Jin Guat (*a shareholder*) and seconded by Mr. Low Kim Chye (*a shareholder*).

4.0 RESOLUTION 3

- RE-ELECTION OF MR. LOW KIM ONG WHO RETIRED IN ACCORDANCE WITH ARTICLE 96 OF THE COMPANY'S ARTICLES OF ASSOCIATION

The Chairman informed the Meeting that the fourth item on the Agenda was to re-elect the retiring Director, namely, Mr. Low Kim Ong, who retired in accordance with Article 96 of the Company's Articles of Association. Mr. Low Kim Ong being eligible for re-election, had offered himself for re-election.

Resolution 3 on the proposed re-election of Mr. Low Kim Ong was proposed by Mr. Low Yong Seng (*a shareholder*) and seconded by Mr. Yap Koon Roy (*a shareholder*).

5.0 RESOLUTION 4

- RE-ELECTION OF MR. LOW YONG SENG WHO RETIRED IN ACCORDANCE WITH ARTICLE 96 OF THE COMPANY'S ARTICLES OF ASSOCIATION

The Chairman informed the Meeting that the fifth item on the Agenda was to re-elect the retiring Director, namely, Mr. Low Yong Seng, who retired in accordance with Article 96 of the Company's Articles of Association. Mr. Low Yong Seng being eligible for re-election, had offered himself for re-election.

Resolution 4 on the proposed re-election of Mr. Low Yong Seng was proposed by Mr. Low Kim Chye (*a shareholder*) and seconded by Mr. Loo Teck Hai (*a shareholder*).

HOCK HENG STONE INDUSTRIES BHD.

(Company No. 840040-H)

(Incorporated in Malaysia)

(Minutes of the Eighth Annual General Meeting held on 29 May 2017 - cont'd)

6.0 RESOLUTION 5

RE-APPOINTMENT OF MESSRS. BDO AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION

The Chairman informed the Meeting that the sixth item on the Agenda was to re-appoint Messrs. BDO as Auditors of the Company until the conclusion of the next Annual General Meeting, and to authorise the Directors to fix their remuneration.

Resolution 5 on the re-appointment of Messrs. BDO as Auditors of the Company was proposed by Mr. Yap Koon Roy (*a shareholder*) and seconded by Mr. Low Yong Seng (*a shareholder*).

7.0 RESOLUTION 6

SPECIAL BUSINESS

ORDINARY RESOLUTION:

AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 75 OF THE COMPANIES ACT 2016

The Meeting was informed that the seventh item under Special Business on the Agenda was to consider and, if thought fit, to pass an Ordinary Resolution authorising the Directors pursuant to Section 75 of the Companies Act 2016 to issue and allot shares not exceeding 10% of the total issued capital of the Company.

The Chairman explained that the proposed Resolution 6, if carried, would allow the Board of Directors, subject to the approval of the relevant governmental/regulatory authorities, to issue and allot new ordinary shares not exceeding 10% of the total issued capital of the Company at any time before the next Annual General Meeting. The proposed resolution is primarily to give flexibility to the Board of Directors to issue and allot shares at any time in their absolute discretion without convening a general meeting.

Resolution 6 on the proposed authority to issue and allot shares pursuant to Section 75 of the Companies Act 2016 was proposed by Mr. Low Kim Chye (*a shareholder*) and seconded by Ms. Low Jin Guat (*a shareholder*).

8.0 RESOLUTIONS 7 AND 8

SPECIAL BUSINESS

ORDINARY RESOLUTIONS

PROPOSED RENEWAL OF EXSITING SHAREHOLDERS' MANDATE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The Meeting was informed that the eighth item under Special Business was to approve the Ordinary Resolutions on the proposed renewal of the existing Shareholders' Mandate and the proposed new Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with the related parties disclosed in the Circular.

HOCK HENG STONE INDUSTRIES BHD.

(Company No. 840040-H)

(Incorporated in Malaysia)

(Minutes of the Eighth Annual General Meeting held on 29 May 2017 - cont'd)

The Chairman explained the rationale for the proposed adoption of the Resolutions 7 and 8, which was primarily to enable the Group to enter into recurrent related party transactions with the related parties which are necessary for the Group's day-to-day operations in the ordinary course of business, on terms not more favourable than those generally available to the public and not detrimental to the minority shareholders of the Company.

By obtaining shareholders' mandate, the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such recurrent related party transactions occur would not arise. This would reduce substantial administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group.

Resolution 7 on the proposed renewal of the existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature was proposed by Mr. Yap Koon Roy (*a shareholder*) and seconded by Mr. Lee Siang Ling (*a shareholder*).

And Resolution 8 on the proposed new Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature was proposed by Mr. Yap Koon Roy (*a shareholder*) and seconded by Mr. Lee Siang Ling (*a shareholder*).

9.0 RESOLUTION 9

SPECIAL BUSINESS

ORDINARY RESOLUTION

- PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

The Meeting was informed that the last item under Special Business was to approve the Ordinary Resolution on the proposed renewal of authority for share buy-back of the Company's shares up to 10% of the existing total issued capital as disclosed in the Circular.

The Chairman explained the rationale for the proposed adoption of the Resolution 8 was to enable the Directors to exercise the power of the Company to purchase not more than 10% of the issued share capital of the Company at anytime within the time period stipulated in Bursa Malaysia Securities Berhad Main Market Listing Requirements.

Resolution 8 on the proposed renewal of authority for share buy-back was proposed by Mr. Low Sheng Kun (*a shareholder*) and seconded by Mr. Low Yong Seng (*a shareholder*).

10.0 OTHER BUSINESS

The Meeting noted that there was no other notice received to transact any other business.

11.0 POLLING PROCESS

The Chairman declared the registration for poll closed to facilitate the polling process.

HOCK HENG STONE INDUSTRIES BHD.

(Company No. 840040-H)

(Incorporated in Malaysia)

(Minutes of the Eighth Annual General Meeting held on 29 May 2017 - cont'd)

The Chairman requested the Company Secretary to brief the Meeting on the polling procedure, and the Company Secretary briefed the Meeting accordingly. The Meeting was adjourned for 20 minutes at 11:05 a.m. for shareholders and proxy holders to cast their votes.

12.0 ANNOUNCEMENT OF POLL RESULTS

The Meeting resumed at 11:25 a.m. when the results of poll taken were completed. The results of the poll were verified by the Independent Scrutineer, Mr. Ivan Lau Sang Thiam from Ivan Law & Co.

13.1 RESOLUTION 1

- APPROVAL OF PAYMENT OF DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

The Meeting noted the poll results for Resolution 1 as follows:-

Resolution	Vote in Favour		Vote Against		Results
	No. of shares	%	No. of shares	%	
Resolution 1	51,613,700	100.0	0	0	Carried

Based on the poll results, the Chairman informed that Resolution 1 was passed by 51,613,700 shares in number representing 100.0% in value of the shareholders and proxy holders present and voting.

The Meeting **RESOLVED** that the following Resolution 1 be carried:-

That the payment of Directors' fees amounting to RM105,800/- for the financial year ended 31 December 2016 be approved.

13.2 RESOLUTION 2

- APPROVAL OF PAYMENT OF DIRECTORS' FEES AND ANY BENEFITS FROM 1 JANUARY 2017 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY

The Meeting noted the poll results for Resolution 2 as follows:-

Resolution	Vote in Favour		Vote Against		Results
	No. of shares	%	No. of shares	%	
Resolution 2	51,613,700	100.0	0	0	Carried

HOCK HENG STONE INDUSTRIES BHD.

(Company No. 840040-H)
(Incorporated in Malaysia)

(Minutes of the Eighth Annual General Meeting held on 29 May 2017 - cont'd)

Based on the poll results, the Chairman informed that Resolution 2 was passed by 51,613,700 shares in number representing 100.0% in value of the shareholders and proxy holders present and voting.

The Meeting **RESOLVED** that the following Resolution 2 be carried:-

That the payment of Directors' fees and any benefits payable up to an amount of RM165,800/- from 1 January 2017 until the next Annual General Meeting of the Company, be approved.

13.3 RESOLUTION 3

- **RE-ELECTION OF MR. LOW KIM ONG WHO RETIRED PURSUANT TO ARTICLE 96 OF THE COMPANY'S ARTICLES OF ASSOCIATION**

The Meeting noted the poll results for Resolution 3 as follows:-

Resolution	Vote in Favour		Vote Against		Results
	No. of shares	%	No. of shares	%	
Resolution 3	51,643,700	100.0	0	0	Carried

Based on the poll results, the Chairman informed that Resolution 3 was passed by 51,643,700 shares in number representing 100.0% in value of the shareholders and proxy holders present and voting.

The Meeting **RESOLVED** that the following Resolution 3 be carried:-

That the retiring Director, Mr. Low Kim Ong, be eligible for re-election, be re-elected as a Director of the Company.

13.4 RESOLUTION 4

- **RE-ELECTION OF MR. LOW YONG SENG WHO RETIRED PURSUANT TO ARTICLE 96 OF THE COMPANY'S ARTICLES OF ASSOCIATION**

The Meeting noted the poll results for Resolution 4 as follows:-

Resolution	Vote in Favour		Vote Against		Results
	No. of shares	%	No. of shares	%	
Resolution 4	51,643,700	100.0	0	0	Carried

Based on the poll results, the Chairman informed that Resolution 4 was passed by 56,643,700 shares in number representing 100.0% in value of the shareholders and proxy holders present and voting.

HOCK HENG STONE INDUSTRIES BHD.

(Company No. 840040-H)

(Incorporated in Malaysia)

(Minutes of the Eighth Annual General Meeting held on 29 May 2017 - cont'd)

The Meeting **RESOLVED** that the following Resolution 4 be carried:-

That the retiring Director, Mr. Low Yong Seng, be eligible for re-election, be re-elected as a Director of the Company.

13.5 RESOLUTION 5

- RE-APPOINTMENT OF MESSRS. BDO AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION

The Meeting noted the poll results for Resolution 5 as follows:-

Resolution	Vote in Favour		Vote Against		Results
	No. of shares	%	No. of shares	%	
Resolution 5	51,643,700	100.0	0	0	Carried

Based on the poll results, the Chairman informed that Resolution 5 was passed by 51,643,700 shares in number representing 100.0% in value of the shareholders and proxy holders present and voting.

The Meeting **RESOLVED** that the following Resolution 5 be carried:-

That Messrs. BDO be and is hereby re-appointed as the Auditors of the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration to be agreed between the Directors and the Auditors.

13.6 SPECIAL BUSINESS

ORDINARY RESOLUTION

- AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 75 OF THE COMPANIES ACT 2016

The Meeting noted the poll results for Resolution 6 as follows:-

Resolution	Vote in Favour		Vote Against		Results
	No. of shares	%	No. of shares	%	
Resolution 6	51,643,600	100.0	0	0	Carried

Based on the poll results, the Chairman informed that Resolution 6 was passed by 51,643,600 shares in number representing 100.0% in value of the shareholders and proxy holders present and voting.

HOCK HENG STONE INDUSTRIES BHD.

(Company No. 840040-H)

(Incorporated in Malaysia)

(Minutes of the Eighth Annual General Meeting held on 29 May 2017 - cont'd)

The Meeting **RESOLVED** that the following Resolution 6 be carried:-

That subject to Section 75 of the Companies Act 2016 and approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being and the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad.

And that such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.

13.7 SPECIAL BUSINESS

ORDINARY RESOLUTION

PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The Meeting noted the poll results for Resolution 7 as follows:-

Resolution	Vote in Favour		Vote Against		Results
	No. of shares	%	No. of shares	%	
Resolution 7	8,361,700	100.0	0	0	Carried

Based on the poll results, the Chairman informed that Resolution 7 was passed by 8,361,700 shares in number representing 100.0% in value of the shareholders and proxy holders present and voting.

The Meeting **RESOLVED** that the following Resolution 7 be carried:-

That subject to the provisions of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, approval be and is hereby given for the Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature for the Company and/or its subsidiaries to enter into and give effect to the category of the recurrent related party transactions of a revenue or trading nature from time to time with the Related Party as specified in Section 2.3(a) of the Circular to Shareholders dated 28 April 2017 provided that such transactions are:-

- (i) recurrent transactions of a revenue or trading nature;*
- (ii) necessary for the Company's day-to-day operations;*

HOCK HENG STONE INDUSTRIES BHD.

(Company No. 840040-H)
(Incorporated in Malaysia)

(Minutes of the Eighth Annual General Meeting held on 29 May 2017 - cont'd)

- (iii) *carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and*
(iv) *not to the detriment of minority shareholders ("Proposed Shareholders' Mandate").*

That the authority for the Proposed Shareholders' Mandate shall continue to be in force until the earlier of:-

- (i) *the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse unless the authority is renewed by a resolution passed at the next AGM;*
(ii) *the expiration of the period within which the next AGM is to be held pursuant to Section 340(2) of the Companies Act 2016 ("the Act") but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act; or*
(iii) *is revoked or varied by resolution passed by the shareholders in a general meeting before the next AGM;*

And that the Directors of the Company be authorised to complete and do such acts and things (including executing all such documents as may be required), as they may consider expedient or necessary to give effect to the Proposed Shareholders' Mandate.

13.8 SPECIAL BUSINESS

ORDINARY RESOLUTION

PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The Meeting noted the poll results for Resolution 8 as follows:-

Resolution	Vote in Favour		Vote Against		Results
	No. of shares	%	No. of shares	%	
Resolution 8	8,361,700	100.0	0	0	Carried

Based on the poll results, the Chairman informed that Resolution 8 was passed by 8,361,700 shares in number representing 100.0% in value of the shareholders and proxy holders present and voting.

The Meeting **RESOLVED** that the following Resolution 8 be carried:-

That subject to the provisions of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, approval be and is hereby given for the Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature for the Company and/or its subsidiaries to enter into and give effect to the category of the recurrent

HOCK HENG STONE INDUSTRIES BHD.

(Company No. 840040-H)

(Incorporated in Malaysia)

(Minutes of the Eighth Annual General Meeting held on 29 May 2017 - cont'd)

related party transactions of a revenue or trading nature from time to time with the Related Party as specified in Section 2.3(a) of the Circular to Shareholders dated 28 April 2017 provided that such transactions are:-

- (i) recurrent transactions of a revenue or trading nature;***
- (ii) necessary for the Company's day-to-day operations;***
- (iii) carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and***
- (iv) not to the detriment of minority shareholders ("Proposed New Shareholders' Mandate").***

That the authority for the Proposed Shareholders' Mandate shall continue to be in force until the earlier of:-

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse unless the authority is renewed by a resolution passed at the next AGM;***
- (ii) the expiration of the period within which the next AGM is to be held pursuant to Section 340(2) of the Companies Act 2016 ("the Act") but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act; or***
- (iii) is revoked or varied by resolution passed by the shareholders in a general meeting before the next AGM;***

And that the Directors of the Company be authorised to complete and do such acts and things (including executing all such documents as may be required), as they may consider expedient or necessary to give effect to the Proposed New Shareholders' Mandate.

13.9 SPECIAL BUSINESS

ORDINARY RESOLUTION

- PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

The Meeting noted the poll results for Resolution 9 as follows:-

Resolution	Vote in Favour		Vote Against		Results
	No. of shares	%	No. of shares	%	
Resolution 9	51,643,700	100.0	0	0	Carried

Based on the poll results, the Chairman informed that Resolution 9 was passed by 51,643,700 shares in number representing 100.0% in value of the shareholders and proxy holders present and voting.

HOCK HENG STONE INDUSTRIES BHD.

(Company No. 840040-H)
(Incorporated in Malaysia)

(Minutes of the Eighth Annual General Meeting held on 29 May 2017 - cont'd)

The Meeting **RESOLVED** that the following Resolution 9 be carried:-

That subject to the compliance with Section 127 of the Companies Act 2016 and all other applicable laws, rules and regulations, approval be and is hereby given to the Company, to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad ("Bursa Securities") as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares to be purchased and held pursuant to this resolution does not exceed 10% of the existing total number of issued shares in the ordinary share capital of the Company including the shares previously purchased and retained as Treasury Shares (if any) and the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the total retained profits of the Company, upon such terms and conditions as set out in the Circular/Statement to Shareholders dated 28 April 2017.

That such authority shall commence immediately upon the passing of this Ordinary Resolution and until the conclusion of the next Annual General Meeting ("AGM") of the Company or the expiry of the period within which the next AGM is required by law to be held unless revoked or varied by Ordinary Resolution in the general meeting of the Company but so as not to prejudice the completion of a purchase made before such expiry date, in any event in accordance with the provisions of Bursa Securities Main Market Listing Requirements and any other relevant authorities.

That authority be and is hereby given to the Directors of the Company to decide in their absolute discretion to retain the ordinary shares in the Company so purchased by the Company as Treasury Shares and/or to cancel them and/or to resell them and/or to distribute them as share dividends in such manner as may be permitted and prescribed by the provisions of the Bursa Securities Main Market Listing Requirements and any other relevant authorities.

And that authority be and is hereby given to the Directors of the Company to take all such steps as are necessary to enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and to do all such acts and things as the Directors may deem fit and expedient in the interests of the Company.

HOCK HENG STONE INDUSTRIES BHD.

(Company No. 840040-H)
(Incorporated in Malaysia)

(Minutes of the Eighth Annual General Meeting held on 29 May 2017 - cont'd)

TERMINATION

The Chairman concluded the Meeting at 11:30 a.m. and thanked all present for their attendance.

SIGNED AS A CORRECT RECORD



CHAIRMAN

Dated: 09 JUN 2017