

SCH GROUP BERHAD

(Company No. 972700-P)

(Incorporated in Malaysia)

MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF SCH GROUP BERHAD ("SCH" OR "THE COMPANY") HELD AT LIVIA 1, LEVEL UG, IBIS STYLES KUALA LUMPUR CHERAS, JALAN C180/1, DATARAN C180, 43200 CHERAS, SELANGOR DARUL EHSAN ON MONDAY, 24 OCTOBER 2016 AT 2.00 P.M.

Present : As per attendance list

1. **CHAIRMAN**

Mr Chan Wan Choon ("the Chairman") presided at the meeting and welcomed the members to the Extraordinary General Meeting ("EGM") of the Company.

2. **QUORUM**

There being a quorum present at the meeting, the Chairman declared the meeting duly convened at 2.00 p.m.

3. **NOTICE**

With the consent of the meeting, the Notice convening the meeting having been circulated within the prescribed period was taken as read.

4. **PRELIMINARY**

Before proceeding with the agendas of the meeting, the Chairman explained to the meeting on how a resolution is determined. He informed that pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company must ensure that any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll. At the same time, the Company must appoint at least one (1) scrutineer to validate the votes cast at the general meeting. Such scrutineer must not be an officer of the Company or its related corporation, and must be independent of the person undertaking the polling process.

The Chairman further informed the meeting that Tricor Investor & Issuing House Services Sdn. Bhd. ("Share Registrar") has been appointed as Poll Administrator to conduct the polling process and Scrutineer Solutions Sdn. Bhd. ("Scrutineers") was appointed as Scrutineers to verify the poll results. With the consent of the meeting, the polling process for all the resolutions would be conducted upon completion of the deliberation of all items to be transacted at the EGM.

5. **ORDINARY RESOLUTION 1**
PROPOSED BONUS ISSUE OF 206,117,010 FREE DETACHABLE WARRANTS (“WARRANT(S)”) ON THE BASIS OF ONE (1) WARRANT FOR EVERY TWO (2) EXISTING ORDINARY SHARES OF RM0.10 EACH IN SCH, HELD BY THE ENTITLED SHAREHOLDERS ON AN ENTITLEMENT DATE TO BE DETERMINED LATER (“PROPOSED BONUS ISSUE OF WARRANTS”)

The Chairman informed the meeting that Resolution No. 1 is to approve the Proposed Bonus Issue of 206,117,010 Free Detachable Warrants on the Basis of One (1) Warrant for Every Two (2) Existing Ordinary Shares of RM0.10 each in SCH held by the entitled shareholders on an entitlement date to be determined later.

The following resolution was duly proposed by Ng Kok Kiong and seconded by Wong Jee Lee:

“THAT the Proposed Bonus Issue of 206,117,010 Free Detachable Warrants on the Basis of One (1) Warrant for every Two (2) Existing Ordinary Shares of RM0.10 each in SCH held by the entitled shareholders on an entitlement date to be determined later as set out in the Notice of EGM dated 30 September 2016 be approved.”

The Chairman informed that the polling process would be conducted upon completion of the remaining business of the meeting.

6. **ORDINARY RESOLUTION 2**
PROPOSED INCREASE IN THE AUTHORISED SHARE CAPITAL OF THE COMPANY FROM RM50,000,000.00 COMPRISING 500,000,000 SCH SHARES TO RM100,000,000.00 COMPRISING 1,000,000,000 SCH SHARES (“PROPOSED IASC”)

The Chairman informed that the next item on the agenda is to seek for the shareholders' approval for the Proposed Increase in the Authorised Share Capital of the Company from RM50,000,000.00 Comprising 500,000,000 SCH Shares to RM100,000,000.00 Comprising 1,000,000,000 SCH Shares.

The following resolution was duly proposed by Ng Kok Kiong and seconded by Yap Chee Soon:

“THAT the Proposed Increase in the Authorised Share Capital of the Company from RM50,000,000.00 Comprising 500,000,000 SCH Shares to RM100,000,000.00 Comprising 1,000,000,000 SCH Shares as set out in the Notice of EGM dated 30 September 2016 be approved.”

The Chairman informed that the polling process would be conducted upon completion of the remaining business of the meeting.

7. **SPECIAL RESOLUTION**
PROPOSED AMENDMENTS TO THE COMPANY’S MEMORANDUM OF ASSOCIATION TO FACILITATE THE IMPLEMENTATION OF THE PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY (“PROPOSED AMENDMENTS”)

The Chairman informed that the last item on the agenda is to approve the Proposed Amendments to the Company’s Memorandum of Association to facilitate the implementation of the Proposed Increase in Authorised Share Capital of the Company.

The following resolution was duly proposed by Ng Kok Kiong and seconded by Teng Eng Chak:

“THAT the Proposed Amendments to the Company’s Memorandum of Association as set out in the Notice of EGM dated 30 September 2016 be approved.”

The Chairman informed that the polling process would be conducted upon completion of the remaining business of the meeting.

8. POLLING PROCESS

The Chairman briefed the meeting on the proceeding of the polling process. He informed that the representatives of the Share Registrar would collect the completed polling forms from the shareholders / proxies and the results of the poll would be verified by the Scrutineers.

Upon collection of the polling forms, the Chairman, with consent of the meeting, adjourned the meeting at 2.20 p.m. for the counting and verification of the poll results.

9. ANNOUNCEMENT OF POLL RESULTS

At 2.40 p.m., the Chairman called the meeting to order for the declaration of results. He informed that he had received the poll results from the Scrutineers, as Appendix I. The Chairman invited the Scrutineers to read out the poll results to the shareholders and proxies present.

The Chairman informed that based on the poll results, majority in number of the shareholders / proxies present have voted in favour for all the resolutions set out in the Notice of EGM dated 30 September 2016. In relation thereto, the Chairman thereby declared that all the resolutions set out in the Notice of EGM dated 30 September 2016 were carried.

10. TERMINATION

There being no other business, the meeting ended at 2.45 p.m. with a vote of thanks to the Chairman.

**Confirmed as a correct record of
the proceedings thereat**

- Signed -

Chan Wan Choon
Chairman