

POS MALAYSIA BERHAD

24TH ANNUAL GENERAL MEETING (“AGM”) HELD ON 18 AUGUST 2016

Summary of Key Matters Discussed at AGM for Publishing in the Company’s Website

Key Matters Discussed	Responses by Directors and Management
<p>(i) Security system and security prevention action taken by Pos Malaysia in relation to ePayment under Smart Postman strategic initiative to detect and prevent external threats arising from terrorism.</p> <p>(ii) Controls undertaken by Pos Malaysia to control and detect breach of disclosure of sender’s personal data by the internal staff i.e. postmen.</p> <p>(iii) The attendance of YBhg. Dato’ Sri Dr. Mohmad Isa bin Hussain (“Dato’ Sri Dr. Isa”) at Board meeting as he only attended 3 out of the 5 Board meetings during the financial year ended 31 March 2016 and also absent at the 24th AGM and Extraordinary General Meeting.</p> <p>The Board should take into consideration time commitment to be fulfilled by Directors towards Pos Malaysia.</p>	<p>(i) Pos Malaysia had put great emphasis on digital security for those shared strategic initiatives through its subsidiary, DigiCert Sdn Bhd by securing with digital certification to safeguard all on-line transactions.</p> <p>Pos Malaysia would scan all the cross border postal items in/out of the country using the sophisticated x-rays and scanners for security purpose.</p> <p>For tightening the domestic security, Pos Malaysia would work closely with the authorities/regulators by surrendering the suspected items to them for inspection as Pos Malaysia has no authority to open up and inspect items contained in the parcels/boxes.</p> <p>(ii) Staff profiling and enforcement of the Standard Operating Procedures are the actions being taken by Pos Malaysia to mitigate the risk and to avoid any breach of disclosure of sender’s personal data from happening.</p> <p>(iii) Dato’ Sri Dr. Isa had sought the Chairman’s consent for his absence from Board meetings and AGM and EGM. Dato’ Sri Dr. Isa would need to balance his official duties as a senior government officer due to his busy schedule. In the event Dato’ Sri Dr. Isa is unable to attend any of the Board meeting, the Management took effort to meet up with him to seek his views on the agendas to be discussed at the Board Meeting and Board papers were provided to him. Hence, his absence from the Board meetings does not prima facie indicate that Dato’ Sri Dr. Isa is unconcern and does not fulfill his responsibilities as Director.</p>

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<p>(iv) The capital expenditures (“CAPEX”) to be incurred for the several key Initiatives as stated in the Management Discussion and Analysis.</p> <p>(v) Any reserve set aside by Pos Malaysia for business expansion since the dividend payout to be declared was 100% of the profit after tax (“PAT”).</p> <p>(vi) Congestion at post office in Semenyih, seats are uncomfortable and long queue for bill payments.</p> <p>(vii) Missing of gift which delivered through mail and the security and integrity of postmen.</p>	<p>Dato’ Sri Dr. Isa would constantly engage with the Management and shared his views to compensate the time commitment for his absence from Board meetings.</p> <p>(iv) The Company does not foresee the key initiatives would incur high CAPEX which is estimated to be less than RM15 million.</p> <p>For equipment/assets replacement, the old motorbikes would be replaced with new motorbikes which are configured with the relevant specifications to cater for mail and parcel.</p> <p>Investment is only for system software and does not foresee huge investment. The operating expenditures for running the system is being monitored closely.</p> <p>(v) Pos Malaysia is in a positive cash position with low gearing and had taken into consideration the challenges and funds requirement for development of businesses of Pos Malaysia in the next financial year ending 31 March 2017 when making a dividend payout of 100% of the PAT to show appreciation to the shareholders for their supports and loyalty towards Pos Malaysia.</p> <p>(vi) Comfort for customers is the priority to Pos Malaysia. Pos Malaysia had embarked on renovation exercise for expansion and new look for the existing post offices and Pusat Pos Laju. Pos Malaysia is also sourcing strategic location for expansion of new post offices and Pusat Pos Laju to reduce the congestion and long queue at certain centres.</p> <p>Pos Malaysia would review the current facilities in Semenyih post office and address the concerns highlighted by the shareholders.</p>

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<p>(viii) Pos Malaysia has improved but there are still a lot of improvements needed. Kajang post office is crowded and customer experienced long waiting time for making remittance to Indonesia which took about 45 minutes to 1 hour. It was proposed that a specific counter for remittance transaction be allocated and this specific counter could also open for other transactions when the counter is free or other counters should also accept remittance transaction so as to avoid loss of time due to long queue.</p>	<p>(viii) Pos Malaysia would continue to improve the services of over 700 post offices which require time to ensure that comfort and efficient services are provided to our customers.</p> <p>Pos Malaysia has over 200 types of services and it is impractical to allocate dedicated counter for every type of service. However, Pos Malaysia is studying on the type of transaction that most frequently transacted in post office and would allocate dedicated counter in the post offices to provide remittance service. In fact, some post offices already have dedicated counter for remittance transaction.</p>