

GREEN PACKET BERHAD

(Company No. 534942-H)

(Incorporated in Malaysia)

Summary of Key Matters Discussed at the Extraordinary General Meeting of the Company held at Green III, Sports Wing, Tropicana Golf and Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor on Wednesday, 12 September 2018 at 11:00 a.m.

A) The following Resolutions tabled at the Extraordinary General Meeting were duly carried:

No.	Resolutions
1	Special Resolution: Proposed Capital Reduction
2	Ordinary Resolution 1: Proposed Share Grant Scheme ("SGS")
3	Ordinary Resolution 2: Proposed Grant to Tan Kay Yen

B) The Chairman invited questions from Shareholders regarding the meeting agenda. Following a question-and-answer session between the Shareholders and the Management/Directors, the following points were covered:-

- Management briefed the Meeting on the rationale of the Proposed Capital Reduction. Management informed that under the Companies Act, 2016, the Company has until 31 December 2019 to utilize and consolidate its share premium account as part of the Company's share capital. The Company would transfer the entire share premium balance to share capital prior to the application to the Court for the proposed capital reduction. There was no outflow of cash or change in the net asset of the Group, save for the estimated expenses to be incurred for the aforesaid exercise.
- The Proposed Capital Reduction entails a reduction of the issued share capital of the Company to offset the credit arising against the entire accumulated losses of the Company as at 31 December 2017, via a special resolution and confirmation from the Court in accordance with Section 116 of the Companies Act 2016.
- Based on the accumulated losses of the Company as at 31 December 2017 of RM455,515,247, the total share capital of the Company to be reduced will amount to RM455,515,247.
- Management explained that it was crucial for technology company to embark in SGS to attract, motivate and retain its employees. The reward is measurable against the performance targets and service objectives set by the Company for business results achievement, to be attained by the Eligible Persons at the time of the grant. The size of the SGS would be 15% of the total number of issued shares of the Company (excluding treasury shares) for a duration of (10) years. The SGS could be transfer of the Company's shares held under treasury or issuance and allotment of new GPB Shares by the Company to Eligible Persons from companies within the Group. There would be a moratorium period for shares granted to all Eligible Persons. The criteria of assessment include the Eligible Persons' position, job performance, seniority, duration of service, potential for future development and contribution to the success and development to the Company as a whole.
- Management explained that the proposed capital reduction exercise does not have any effect on the proposed rights issues with warrants as the proposed capital reduction was to eliminate the entire accumulated losses of the Company as at 31 December 2017 via the cancellation of the issued share capital of the Company in line with the Group's strategies to turnaround the business of the Group and does not affect the number of shares in issue. However, the Board intends to effect proposed capital reduction exercise and SGS after the proposed Rights Issue with Warrants based on the propose timetable.

C) The Company had received a letter dated 7 September 2018 from the Minority Shareholders Watch Group ("MSWG") and Management's responses were set out in **Annexure A** attached herein.

Question 1

In relation to the Share Grant Scheme (“SGS”) shares to be granted to the “Eligible Persons” how long is the Vesting Period for the shares?

Pursuant to By-Law 6.5(c) of the SGS, for each Grant the SGS Committee will determine the Vesting Period and state the same in the Grant. Typical considerations for Vesting Period determination will depend on the number of shares granted and the business objectives at the point of Grant. Such Vesting Period cannot exceed the SGS Period of 10 years of the Share Grant Scheme as provided for under By-Law 16.1.

Question 2

As stated on page 3 of the Circular, the proposed SGS is intended to allow Green Packet to grant SGS shares to be vested in the “Eligible Persons” for the attainment of identified performance targets and/or service objectives as determined by SGS Committee at its discretion.

What are the performance targets and/or service objectives to be attained by the “Eligible Persons”?

The SGS Committee will adopt the performance targets and service objectives set by the Company for business results achievement, to be attained by the "Eligible Persons" at the time of the Grant.

Question 3

We noted on page 33 of the Circular, the SGS Committee shall comprise any such persons appointed by the Board from time to time and shall be vested with such powers and duties as are conferred upon it by the Board.

Who are the members of the SGS Committee?

The SGS Committee will comprise of representatives from the Remuneration Committee and senior management.