

**FREIGHT MANAGEMENT HOLDINGS BHD.**  
**199601008064 (380410-P)**  
(Incorporated in Malaysia)

**MINUTES OF THE 25<sup>TH</sup> ANNUAL GENERAL MEETING (“AGM”) OF FREIGHT MANAGEMENT HOLDINGS BHD. (“FMHB” OR “THE COMPANY”) CONDUCTED ENTIRELY THROUGH LIVE STREAMING FROM THE BROADCAST VENUE AT TRICOR BUSINESS CENTRE, MANUKA 2 & 3 MEETING ROOM, UNIT 29-01, LEVEL 29, TOWER A, VERTICAL BUSINESS SUITE, AVENUE 3, BANGSAR SOUTH, NO. 8, JALAN KERINCHI, 59200 KUALA LUMPUR, MALAYSIA, ON WEDNESDAY, 24 NOVEMBER 2021 AT 10.00 A.M.**

---

Present at : Tengku Nurul Azian Binti Tengku Shahrman (Chairperson)  
Broadcast Venue : Chew Chong Keat (Group Managing Director) – also as a shareholder  
: Yang Heng Lam (Executive Director) – also as a shareholder  
: Gan Siew Yong (Executive Director) – also as a shareholder  
: Ong Looi Chai (Executive Director) – also as a shareholder  
: Fong Sok Yee (Company Secretary)  
: Chan Ying Wei (Group Financial Controller)

Present via video conferencing : Soh Chin Teck (Independent Non-Executive Director)  
: Lau Swee Chin (Independent Non-Executive Director)  
: Khua Kian Keong (Non-Independent Non-Executive Director)  
: Te Hock Wee (Company Secretary)  
: James Chan  
: Chong Wei-Chnoong } (representing Crowe Malaysia PLT, the  
: She Hai Ing } External Auditors of the Company)

The attendance of shareholders/corporate representatives/proxies who attended the AGM remotely via the remote participation and voting (“RPV”) facilities was as per the Summary of Attendance List.

**1. PRELIMINARY**

The Chairperson, Tengku Nurul Azian Binti Tengku Shahrman, welcomed all shareholders, proxies and invitees who participated the meeting.

She then introduced the Board members, Company Secretaries and the representatives from Crowe Malaysia PLT (the External Auditors) to the attendees.

**2. NOTICE**

The notice of the 25<sup>th</sup> AGM dated 26 October 2021 (“**the Notice**”), having been circulated to all the shareholders within the prescribed period, was taken as read.

**3. QUORUM**

The Chairperson informed that for a virtual general meeting, the quorum would be determined by the number of shareholders and proxies who logged in at the commencement of the meeting.

There being a quorum, the Chairperson called the meeting to order.

**4. POLLING PROCEDURES AND ADMINISTRATIVE MATTERS**

The Chairperson informed that pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice must be voted by poll. The Company was also required to appoint at least one (1) independent scrutineer to validate the votes cast at the general meeting.

The Chairperson further informed that the Company had appointed Tricor Investor & Issuing House Services Sdn. Bhd. as Poll Administrator to facilitate the poll voting process and Asia Securities Sdn. Berhad as Independent Scrutineer to verify the poll results.

The guide on the remote voting procedures and the manner to pose questions at the meeting through the RPV application were presented to the shareholders and proxies.

## **5. MANAGEMENT PRESENTATION**

At the invitation of the Chairperson, Mr Chew Chong Keat, the Group Managing Director, gave a slide presentation on the Group's financial performance and key highlights for the financial year ended 30 June 2021 as well as the Group's business outlook and strategy, moving forward.

The Chairperson informed that the Board would address the questions posed by the shareholders or proxies at the Question-and-Answer Session, which would be held after the conclusion of the discussion on all agenda items of the meeting. The meeting then proceeded with the business of the meeting.

## **6. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

The Audited Financial Statements for the financial year ended 30 June 2021, together with the Reports of the Directors and Auditors thereon ("**AFS FY2021**"), were tabled to the meeting for discussion.

The Chairperson informed that the AFS FY2021 were meant for discussion only as the Companies Act 2016 does not require a formal approval of shareholders. Hence, it was not put forward for voting. The Board would address the questions from shareholders or proxies during the Question-and-Answer Session.

The Chairperson declared that the AFS FY2021 were duly received by the shareholders.

Thereafter, the Chairperson went through each of the motions set out in the Notice.

The Chairperson also informed that the Company did not receive any notice from shareholders for other business to be transacted at this meeting in accordance with the Constitution of the Company and the Companies Act 2016.

## **7. QUESTION-AND-ANSWER SESSION**

All questions raised by shareholders and proxies that were submitted before and during the meeting, were addressed by Mr Chew Chong Keat, the Group Managing Director, and Mr Yang Heng Lam, the Executive Director, respectively. Details were as follows:-

- (1) **Request for printed copy of the Company's Annual Report 2021**  
*[Questions posed by several shareholders/proxies]*

FMHB's response:

Management will arrange for the delivery of Annual Report 2021 to shareholders who requested for a printed copy after the meeting.

- (2) **Request for e-voucher or e-wallet value to shareholders who attended the AGM as token of appreciation**  
*[Questions posed by several shareholders/proxies]*

FMHB's response:

The Board will consider the suggestion.

- (3) **FMHB will embark on a large-scale integrated logistic hub with a minimum investment of RM245 million in capital expenditure (“CAPEX”). Please provide the breakdown of the RM245 million to be invested and what is the budgeted CAPEX for FY2022? Is the RM245 million inclusive of the 2 parcels of leasehold and freehold land?**

*[Question posed by Mr Lew Tuck Wai]*

FMHB’s response:

FM Global Logistics (M) Sdn. Bhd. (“**FMGLM**”), a wholly-owned subsidiary of FMHB, was granted tax incentive via Investment Tax Allowance (“**ITA**”) from the Malaysian Investment Development Authority (“**MIDA**”) for the development of an E-Commerce Fulfilment Hub. The tax incentive will enable FMGLM to qualify for ITA of 60% on its qualifying CAPEX incurred over a period of 5 years and such allowance can be deducted against 70% of its statutory income for each year of assessment.

One of the conditions for the tax incentive is that FMGLM has to make investments in CAPEX related to Integrated Logistics Services activities of at least RM245 million. The qualifying assets for ITA refer to factory, plant, machinery, or other equipment used for the project related. The Board is unable to provide the breakdown of the CAPEX for the development of the Integrated Logistics Services activities as it is still in the preliminary stage.

The Company recently announced the acquisition of 2 parcels of leasehold land and 2 parcels of freehold land, in efforts to expand the Group’s 3PL, Warehousing & Distribution Services. However, such investment is not eligible for the tax incentive as the cost of land does not qualify for ITA.

- (4) **Please provide an update for the on-going litigation case involving FMGLM against Prestige Sports Sdn. Bhd., which has commenced at the Shah Alam High Court (page 224 of the Annual Report 2021).**

*[Question posed by Mr Lew Tuck Wai]*

FMHB’s response:

The legal case remains on-going. At this juncture, based on the legal advice, FMGLM has a good chance of winning the legal suit.

- (5) **FMHB had invested in YKP-FM Global Shipyard Co., Ltd. (“YKP-FM”) via a 31% equity interest (pages 169-170 of the Annual Report 2021).**

- a) **What is the rationale of FMHB investing in a company involved in the development and operation of shipyard in Thailand?**  
b) **What is the reason(s) for the continuing loss reported by YKP-FM?**  
c) **Why is the share of losses not reported in the Operating Segments details on pages 146 and 147 of the Annual Report 2021?**

*[Question posed by Mr Lew Tuck Wai]*

FMHB’s response:

The Group sees the potential for strong growth and opportunities to strengthen its logistics-related business with the investment in the development and operation of shipyard in Thailand. The Group will continue working on this project in view that the shipyard business remains viable.

The loss reported by YKP was mainly due to the impairment of the company’s assets.

The details of the share of losses in associates are disclosed in Note 8 (Investments in Associates) of the AFS FY2021 (under pages 171 and 172 of the Annual Report 2021).

- (6) **Will Baltic Dry Index (“BDI”) Pricing affect the freight rate?**  
*[Question posed by Mr Chia Pern Lee]*

FMHB’s response:

BDI Pricing will not have a direct impact on the freight rate as BDI Pricing is the price quoted for the shipment of bulk raw materials whilst freight rate is the pricing for the transport of cargo or containers.

- (7) **FMHB reported significant improvement in revenue and profits in FY2021 despite the Covid-19 pandemic. Will the Group expect such growth to be sustainable?**  
*[Questions posed by several shareholders/proxies]*

FMHB’s response:

The Covid-19 pandemic has resulted in a lower economic growth and trading activities globally. Nevertheless, the pandemic has also benefited the manufacturing industry as the spike in global demand has created the potential upsides and eventually boosted the revenue of the logistics sector. Such continuing favourable condition is expected to create sustainable revenue and profitability to the Group.

The Group will continue to manage its cost effectively, concentrating on its core business, mitigating losses from non-performing entities (i.e. to exit or restructure and realign loss-making businesses) as well as searching for new growth opportunities to ensure continuous sustainable revenue growth.

- (8) **Which are the top 3 operating segments that are expected to contribute to the increase in revenue?**  
*[Question posed by Mr Lew Tuck Wai]*

FMHB’s response:

To reflect the Group as an emerging global logistics player, the Group has consolidated its integrated logistics services into 2 business segments, i.e. International Freight and Domestic Logistics.

The revenue of International Freight is mainly derived from sea freight services and air freight services, which have gained traction in global trade especially on export. As part of the Group’s strategy on further expansion into international markets, the Group has via its indirect wholly-owned subsidiary, namely FM Global Logistics Ventures Sdn. Bhd., acquired 3 US-based freight forwarding services companies to strengthen its presence in the US, which has the largest consumer demand in the market. The acquisition is expected to be completed by 1 December 2021.

On Domestic Logistics, the nationwide lockdown amid the pandemic has driven the increasing demand for warehousing services as many retailers/manufacturers are looking for warehouse storage to keep unsold goods. In addition, due to the disruptions of the global supply chain caused by the pandemic, some retailers/manufacturers have chosen to make early bulk purchase of goods or raw materials to avoid shortages of products, which has in turn increased the activities in customs clearance, trucking and warehousing services. The Group has invested in lands located in Port Klang and Bukit Raja respectively as well as additional fleet of trucks to cater to the increasing demand.

Another profitable division under Domestic Logistics is the last mile delivery services operated by Parcel To Post Services Sdn. Bhd. (“P2P”). P2P is currently operating at all major cities in Malaysia, including Sabah and Sarawak. Improvements to systems and processes have intensified to provide better customer services. With the strong uptake of e-commerce, many businesses have

switched to online trading to ensure business continuity. As such, the Group will continue to focus on P2P business to leverage these opportunities.

- (9) **Will the 51% Bumiputera equity requirement for logistic companies, if it is implemented, affect our Company?**  
*[Question posed by several shareholders/proxies]*

FMHB's response:

Public listed companies are not affected by the 51% Bumiputera equity requirements.

- (10) **Is our Company certified as an Authorised Economic Operator, which enjoys priority customs clearance, faster release of shipments and other advantages?**  
*[Question posed by Ms Law Kung Hoo]*

FMHB's response:

The Group takes note of the advantage of being certified as Authorised Economic Operator and is in the process of applying for the scheme from the Royal Malaysian Customs Department.

## **8. POLL VOTING SESSION**

After all the questions raised had been dealt with, the Chairperson invited the shareholders and proxies to cast their votes remotely.

Upon the closing of the voting session, the meeting adjourned at 10.40 a.m. to facilitate the counting of votes by the Poll Administrator and verification of the poll results by the Independent Scrutineer.

## **9. ANNOUNCEMENT OF POLL RESULTS**

The meeting resumed at 11.10 a.m. after obtaining the poll results from the Independent Scrutineer. The poll result was presented to the meeting. The Chairperson declared that all resolutions set out in the Notice were duly passed by the shareholders and proxies of the Company, as follows:-

### **Ordinary Resolution 1 – Directors' Fees**

By a vote of 107,395,688 shares (representing 99.9831%) voting for and 18,120 shares (representing 0.0169%) voting against the Resolution, it was **RESOLVED**:-

**THAT** the payment of Directors' fees of up to an aggregate amount of RM480,000 for the financial year ending 30 June 2022 to be paid monthly in arrears be and is hereby approved.

### **Ordinary Resolution 2 – Directors' Benefits**

By a vote of 107,393,038 shares (representing 99.9807%) voting for and 20,770 shares (representing 0.0193%) voting against the Resolution, it was **RESOLVED**:-

**THAT** the payment of Directors' benefits amounting to RM80,000 from the date of the forthcoming AGM until the next AGM of the Company be and is hereby approved.

### **Ordinary Resolution 3 – Re-election of Gan Siew Yong**

By a vote of 334,518,710 shares (representing 99.9052%) voting for and 317,264 shares (representing 0.0948%) voting against the Resolution, it was **RESOLVED**:-

**THAT** Gan Siew Yong, who retired pursuant to Clause 125 of the Company's Constitution, be and is hereby re-elected as Director of the Company.

**Ordinary Resolution 4 – Re-election of Lau Swee Chin**

By a vote of 334,520,684 shares (representing 99.9058%) voting for and 315,290 shares (representing 0.0942%) voting against the Resolution, it was **RESOLVED:-**

**THAT** Lau Swee Chin, who retired pursuant to Clause 125 of the Company's Constitution, be and is hereby re-elected as Director of the Company.

**Ordinary Resolution 5 – Re-appointment of Auditors**

By a vote of 334,843,624 shares (representing 99.9993%) voting for and 2,350 shares (representing 0.0007%) voting against the Resolution, it was **RESOLVED:-**

**THAT** Crowe Malaysia PLT be and are hereby re-appointed as Auditors of the Company for the ensuing year AND THAT the Board of Directors be authorised to fix their remuneration.

**Ordinary Resolution 6 – Proposed Renewal of Shareholders' Mandate Share Buy-Back**

By a vote of 334,835,624 shares (representing 99.9999%) voting for and 350 shares (representing 0.0001%) voting against the Resolution, it was **RESOLVED:-**

**THAT** subject always to the Companies Act 2016 ("Act"), the Constitution of the Company, the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other applicable laws, guidelines, rules and regulations, approval be and is hereby given for 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 Securities upon such terms and conditions as the Directors of the Company may deem fit and expedient in the interest of the Company ("Share Buy-Back Mandate") provided that:

- (a) the aggregate number of ordinary shares in the Company purchased and/or held as treasury shares pursuant to the Share Buy-Back Mandate does not exceed ten per centum (10%) of the total number of issued shares of the Company as at the point of purchase(s);
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing its ordinary shares shall not exceed the total retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase; and
- (c) the Directors of the Company may decide either to retain the shares so purchased as treasury shares or cancel the shares so purchased or retain part of the shares so purchased and cancel the remainder or resell the treasury shares on Bursa Securities or distribute the treasury shares as dividends or transfer the treasury shares under an employees' share scheme or as purchase consideration or otherwise use the treasury shares for such other purpose in the manner as prescribed by the applicable laws, guidelines, rules and regulations.

**THAT** the authority conferred by this resolution will be effective upon the passing of this resolution and will continue to be in force until:

- (a) the conclusion of the next annual general meeting of the Company, at which time it shall lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- (b) the expiration of the period within which the next annual general meeting of the Company after that date is required by law to be held; or
- (c) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

**AND THAT** authority be and is hereby given to the Directors of the Company to take all such steps to implement, finalise and to give full effect to the Share Buy-Back Mandate with full power to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities or as the Directors deem fit and expedient at their discretion in the best interest of the Company.

**Ordinary Resolution 7 – Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016**

By a vote of 334,802,082 shares (representing 99.9906%) voting for and 31,492 shares (representing 0.0094%) voting against the Resolution, it was **RESOLVED**:-

**THAT** subject always to the Companies Act 2016 (“Act”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the Company from time to time, at such price, upon such terms and conditions, to such persons and for such purposes as the Directors may in their absolute discretion deem fit PROVIDED THAT the aggregate number of shares to be issued pursuant to this resolution, when aggregated with the total number of such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company, AND FURTHER THAT the Directors be authorised to do all such things as they deem fit and expedient in the best interest of the Company to give effect to the issuance of new shares under this resolution including making such applications to Bursa Securities for the listing of and quotation for the additional shares so issued on Bursa Securities.

**Special Resolution – Proposed Change of Name from “Freight Management Holdings Bhd.” to “FM Global Logistics Holdings Berhad” (“Proposed Change of Name”)**

By a vote of 334,822,684 shares (representing 99.9930%) voting for and 23,290 shares (representing 0.0070%) voting against the Resolution, it was **RESOLVED**:-

**THAT** the name of the Company be changed from “Freight Management Holdings Bhd.” to “FM Global Logistics Holdings Berhad” with effect from the date of issuance of the Notice of Registration of New Name by the Companies Commission of Malaysia AND THAT all references in the Company’s Constitution to the name “Freight Management Holdings Bhd.”, wherever the same may appear, shall be deleted and substituted with the name “FM Global Logistics Holdings Berhad”.

**AND THAT** the Directors and/or Secretary of the Company be and are hereby authorised to do all such acts and things and to carry out all the necessary steps and formalities in effecting the Proposed Change of Name.

**10. CLOSURE OF MEETING**

There being no further business, the meeting concluded at 11.15 a.m. with a vote of thanks to the Chair.

SIGNED AS A CORRECT RECORD

CHAIRPERSON

Date: 22 February 2022