

**FM GLOBAL LOGISTICS HOLDINGS BERHAD**  
**199601008064 (380410-P)**  
(Incorporated in Malaysia)

**MINUTES OF THE 27<sup>TH</sup> ANNUAL GENERAL MEETING (“27<sup>TH</sup> AGM”) OF FM GLOBAL LOGISTICS HOLDINGS BERHAD (“FMGL” OR “THE COMPANY”) CONDUCTED ENTIRELY THROUGH LIVE STREAMING FROM THE BROADCAST VENUE AT THE VERTICAL, CONNEXION CONFERENCE & EVENT CENTRE, THE VERTICAL, PINNACLE 3 (LEVEL M1), BANGSAR SOUTH CITY, NO. 8, JALAN KERINCHI, 59200 KUALA LUMPUR, MALAYSIA ON THURSDAY, 23 NOVEMBER 2023 AT 10.00 A.M.**

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- Present at the : Tengku Nurul Azian Binti Tengku Shahrman (Chairperson)  
Broadcast Venue : Chew Chong Keat [Group Managing Director (“Group MD”)] – 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  
: Soh Chin Teck (Independent Non-Executive Director)  
: Lau Swee Chin (Independent Non-Executive Director)  
: Fong Sok Yee (Company Secretary)  
: Chan Ying Wei (Group Financial Controller)
- Present via video : Francis Lee Fook Wah (Non-Independent Non-Executive Director)  
conferencing : Chong Wei-Chnoong (Representing Crowe Malaysia PLT, the External Auditors of the Company)

The shareholders/corporate representatives/proxies who attended the 27<sup>th</sup> AGM remotely via the remote participation and voting (“RPV”) facilities are as stated in the Attendance Listing.

**1. CHAIRPERSON**

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

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

**2. NOTICE**

The notice of the 27<sup>th</sup> AGM dated 25 October 2023 (“the Notice”), having been circulated to all the shareholders within the prescribed period, was taken as read.

**3. QUORUM**

The Chairperson informed that the quorum for a virtual general meeting is determined by the number of shareholders and proxies who log 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 of general meeting must be voted by poll. The Company is 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. (the Company's Share Registrar) as Poll Administrator to facilitate the poll voting process, and Asia Securities Sdn. Berhad as Independent Scrutineer to verify the poll results.

The Chairperson informed that the Board would address the questions posed by the shareholders or proxies at the Question-and-Answer ("Q&A") Session, which would be held after the conclusion of the discussion on all agenda items of the meeting.

The guide on the remote voting procedure 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 MD, gave a brief presentation on the Group's financial performance and key highlights for the financial year ended 30 June 2023 as well as the Group's business outlook and strategy.

The meeting proceeded with the business of the meeting.

## **6. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

The Audited Financial Statements for the financial year ended 30 June 2023, together with the Reports of the Directors and Auditors thereon ("AFS FY2023"), were tabled to the meeting for discussion.

The Chairperson informed that the AFS FY2023 were meant for discussion only and did not require a formal approval of shareholders as per the Companies Act 2016. Hence, the AFS FY2023 were not put forward for voting.

The Chairperson further informed that the Board would address the questions raised by shareholders and proxies during the Q&A Session, which would be carried out after all items on the agenda were dealt with.

The Chairperson declared the AFS FY2023 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 had not received any notice from shareholders for other business to be transacted at this meeting in accordance with the Companies Act 2016 and Constitution of the Company.

## **7. Q&A SESSION**

The meeting continued with the Q&A Session. The Chairperson informed that the Company had received some questions from the Minority Shareholders Watch Group ("MSWG") via their letter dated 6 November 2023. The Group MD presented the Company's responses to the questions raised by MSWG. The summary of the presentation, which forms part of the minutes, is annexed herein as **Appendix A**. Thereafter, questions raised by the shareholders that were submitted before and during the meeting were addressed by the Group MD. The summary of the questions and the responses, which forms part of this minutes, is annexed herein as **Appendix B**.

## **8. POLL VOTING SESSION**

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

Thereafter, the meeting adjourned at 10.50 a.m. for the tabulation of the poll results.

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

The meeting resumed at 11.10 a.m. after obtaining the validated poll results from the Independent Scrutineer. The results of the poll were presented to the meeting and the Chairperson declared that all resolutions set out in the Notice were carried, as follows:-

### **Ordinary Resolution 1** **Payment of Directors' Fees**

By a vote of 16,348,252 shares (representing 98.6783%) voted for and 218,962 shares (representing 1.3217%) voted against the Resolution, it was **RESOLVED**:-

**THAT** the payment of Directors' fees up to an aggregate amount of RM500,000 for the financial year ending 30 June 2024 to be paid monthly in arrears be and is hereby approved.

### **Ordinary Resolution 2** **Payment of Directors' Benefits**

By a vote of 16,348,154 shares (representing 98.6777%) voted for and 219,060 shares (representing 1.3223%) voted against the Resolution, it was **RESOLVED**:-

**THAT** the payment of Directors' benefits amounting up to RM80,000 from the period from 23 November 2023 until the next annual general meeting of the Company be and is hereby approved.

### **Ordinary Resolution 3** **Re-election of Director – Yang Heng Lam**

By a vote of 244,364,350 shares (representing 99.9857%) voted for and 35,030 shares (representing 0.0143%) voted against the Resolution, it was **RESOLVED**:-

**THAT** Yang Heng Lam, who retired pursuant to Clause 125 of the Constitution of the Company, be and is hereby re-elected as Director of the Company.

### **Ordinary Resolution 4** **Re-election of Director – Ong Looi Chai**

By a vote of 243,684,350 shares (representing 99.7074%) voting for and 715,030 shares (representing 0.2926%) voting against the Resolution, it was **RESOLVED**:-

**THAT** Ong Looi Chai, who retired pursuant to Clause 125 of the Constitution of the Company, be and is hereby re-elected as Director of the Company.

### **Ordinary Resolution 5** **Re-election of Director – Francis Lee Fook Wah**

By a vote of 243,684,350 shares (representing 99.7074%) voted FOR and 715,030 shares (representing 0.2926%) voted AGAINST the Resolution, it was **RESOLVED**:-

**THAT** Francis Lee Fook Wah, who retired pursuant to Clause 130 of the Constitution of the Company, be and is hereby re-elected as Director of the Company.

**Ordinary Resolution 6**

**Re-appointment of Auditors – Crowe Malaysia PLT**

By a vote of 243,685,550 shares (representing 99.7079%) voted for and 713,830 shares (representing 0.2921%) voted against the Resolution, it was **RESOLVED:-**

**THAT** Crowe Malaysia PLT be and are hereby re-appointed as Auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company AND THAT the Directors be authorised to fix their remuneration.

**Ordinary Resolution 7**

**Proposed Renewal of Shareholders' Mandate for Share Buy-Back**

By a vote of 244,364,448 shares (representing 99.9857%) voted for and 34,932 shares (representing 0.0143%) voted 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 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 at any point in time;
- (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 Proposed Renewal of Shareholders' Mandate for Share Buy-Back 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 or expedient at their discretion in the best interest of the Company.

#### **Special Resolution**

#### **Waiver of Pre-emptive Rights under Section 85 of the Companies Act 2016**

By a vote of 243,479,370 shares (representing 99.6236%) voted for and 920,010 shares (representing 0.3764%) voted against the Resolution, it was **RESOLVED**:-

**THAT** pursuant to Section 85 of the Companies Act 2016 read together with Clause 15 of the Constitution of the Company, approval be and is hereby given for the waiver of the statutory pre-emptive rights of the shareholders of the Company to be offered new shares in the Company ranking equally to the existing issued shares in the Company arising from any issuance of new shares in the Company to the allottees subject to the passing of Ordinary Resolution 8 – Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016.

#### **Ordinary Resolution 8**

#### **Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016**

By a vote of 242,876,038 shares (representing 99.3767%) voted for and 1,523,342 shares (representing 0.6233%) voted against the Resolution, it was **RESOLVED**:-

**THAT** contingent upon the passing of the Special Resolution on waiver of pre-emptive rights under Section 85 of the Companies Act 2016 ("the Act") and subject always to the 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 (if any), the Directors be and are hereby authorised 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 does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being **AND 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 AND THAT such authority shall continue to be in force until the conclusion of the next annual general meeting the Company.

**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.

CONFIRMED AS A CORRECT RECORD

CHAIRPERSON

Dated: 13 February 2024

QUESTION	ANSWER
<p>1. Amid an inflationary and higher interest rate environment, as well as moderation of global economy and trade activities, the Group increased its workforce by about 7.0% from 1,748 in FY2022 to 1,871 in FY2023. This increase was attributed to the rising industry demand. What are the factors driving this increasing industry demand? Additionally, does the Board expect the Group to handle a higher business volume in FY2024 compared to FY2023?</p>	<p>The increase in headcount is mainly due to business requirements for some of divisions such as from the 3PL/Distribution business. This is driven the strong growth we recorded in 3PL/Distribution, whereby revenue and GP expanded by 41% and 21% respectively in FY2023.</p>
<p>2. The Group's revenue surged by 73.9% from RM545.4m in FY2019, before the onset of the Covid-19 pandemic, to RM948.4m in FY2023. Meanwhile, profit after tax and minority interest more than tripled from RM13.6m in FY2019 to RM42.0m in FY2023. What are the key reasons for the increase in revenue and profit, and can we expect the top line and bottom line to be sustained in the future?</p>	<p>The significant increase is due to pent-up demand and growth following the recovery from Covid-19 lockdowns and disruptions.</p> <p>Given the very challenging business environment, we expect a softer financial performance for FY2024.</p>

QUESTION	ANSWER																																
<p>3. The carrying amount of the Group's right-of-use assets increased from RM157.2m in FY2022 to RM161.9m in FY2023. What are the reasons for the sharp increase in the Group's depreciation expenses of right-of-use assets from RM14.6m in FY2022 to RM20.4m in FY2023?</p>	<p>The higher depreciation of right-of-use assets in FY 2023 as a result of the additions of right of use assets in FY 2022 and FY 2023 especially on Prime Movers and trailers and new tenancies of warehouses. (i.e. more than 2 years tenancy)</p>																																
<p>4. During FY2023, global trade and external demand experienced a gradual decline, causing freight rates to plummet from previously elevated levels. However, the 6.5% decline in profit before tax, from RM66.6m in FY2022 to RM62.3m in FY2023, was relatively milder than the 17.7% decline in the Group's revenue, which went from RM1,152.9m in FY2022 to RM948.4m in FY2023.</p> <p>a) What are the reasons for the Group's margin expansion in FY2023 compared to FY2022?</p> <p>b) Please provide a breakdown of revenue and profit before tax by components such as sea freight, air freight, land freight, 3PL, warehousing &amp; distribution, and supporting services.</p>	<p>(a) The higher margin recorded in FY2023 is due mainly to the significant reduction in industry freight rates, and hence our costs. Following the slow-down in the global economy and the cessation of pent-up demand, freight rates have fallen to pre-Covid 19 levels.</p> <p>(b) The segmental breakdown of revenue is in the presentation to shareholders and the profit breakdown mirrors the breakdown of the revenue.</p> <table border="1" data-bbox="1437 953 2489 1359"> <thead> <tr> <th></th> <th colspan="3">Revenue</th> </tr> <tr> <th>RMm</th> <th>FY23</th> <th>FY22</th> <th>YoY %</th> </tr> </thead> <tbody> <tr> <td>Sea Freight</td> <td>573.4</td> <td>799.1</td> <td>(28.2)</td> </tr> <tr> <td>Air Freight</td> <td>107.8</td> <td>150.6</td> <td>(28.4)</td> </tr> <tr> <td>Land Freight</td> <td>34.2</td> <td>39.2</td> <td>(12.9)</td> </tr> <tr> <td>3PL, W/house &amp; Dist.</td> <td>119.1</td> <td>84.6</td> <td>40.8</td> </tr> <tr> <td>Supporting Services</td> <td>113.9</td> <td>79.4</td> <td>43.5</td> </tr> <tr> <td><b>Total</b></td> <td><b>948.4</b></td> <td><b>1,152.9</b></td> <td><b>(17.7)</b></td> </tr> </tbody> </table>		Revenue			RMm	FY23	FY22	YoY %	Sea Freight	573.4	799.1	(28.2)	Air Freight	107.8	150.6	(28.4)	Land Freight	34.2	39.2	(12.9)	3PL, W/house & Dist.	119.1	84.6	40.8	Supporting Services	113.9	79.4	43.5	<b>Total</b>	<b>948.4</b>	<b>1,152.9</b>	<b>(17.7)</b>
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Sea Freight	573.4	799.1	(28.2)																														
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**FM GLOBAL LOGISTICS HOLDINGS BERHAD**  
**199601008064 (380410-P)**  
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**SUMMARY OF QUESTIONS AND ANSWERS POSED AT THE 27<sup>TH</sup> ANNUAL GENERAL MEETING (“27<sup>TH</sup> AGM”) OF FM GLOBAL LOGISTICS HOLDINGS BERHAD (“FMGL” OR “THE COMPANY”) CONDUCTED ENTIRELY THROUGH LIVE STREAMING FROM THE BROADCAST VENUE AT THE VERTICAL, CONNEXION CONFERENCE & EVENT CENTRE, THE VERTICAL, PINNACLE 3 (LEVEL M1), BANGSAR SOUTH CITY, NO. 8, JALAN KERINCHI, 59200 KUALA LUMPUR, MALAYSIA ON THURSDAY, 23 NOVEMBER 2023 AT 10.00 A.M.**

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The following are the questions received before and during the 27<sup>th</sup> AGM, and those that were not addressed at the 27<sup>th</sup> AGM:-

- Q1) It appears that most logistics players have been aggressively expanding their fleets and warehousing capacities over the past few years. Will the decreased trade volume in Malaysia result in overcapacity in the local market?**

FMGL's response:

The Group has been focusing on building its own capacity to have greater control over its local operations to meet customers' demands and remain competitive in the market. The investment in fleet capacity is intended to relocate the Group's distribution assets away from third-party service providers, and some fleet renewals are intended to improve the productivity of truck services.

In terms of warehousing facilities, the Group believes that having our own warehouse provides a strategic advantage in standing out from the competition, allowing us to meet customers' demands and operate our own facilities more effectively than relying on renting or leasing warehouses.

Despite the challenging market conditions, the Group remains optimistic about the domestic market's demand for fleet and warehousing facilities.

- Q2) FM Global Logistics (M) Sdn. Bhd. was accredited Authorised Economic Operator (“AEO”) by the Royal Malaysian Customs Department (“the Customs”) on 4 August 2023.**

- (1) What are the advantages of being an AEO? Does it attract lower costs and faster goods movement?**  
**(2) What are the difficulties in the process of obtaining AEO accreditation?**  
**(3) Do most of the listed peers also hold AEO status?**

FMGL's response:

The AEO scheme developed by the Customs encourages electronic transactions for better security management in the supply chain. It helps the Group in expediting customs clearance for movement of goods, thus reducing costs and improving operational efficiency. It also provides the Group's customers the option of making deferred duty payments via electronic funds transfer.

The main criterion for obtaining AEO accreditation is to meet the required security standards framework. FM Global Logistics (M) Sdn. Bhd. was able to successfully navigate this process in a short period of time as the Group has already implemented various standards, including ISO9001 (quality management system), ISO14000 (environmental management system), and ISO18001 (operational health and safety management). These standards were instrumental in ensuring compliance with AEO requirements.

Several listed and non-listed companies in the industry have obtained the AEO status.

**Q3) Revenue from 3PL Warehousing & Distribution and Supporting Services increased by 42.1% in FY2023 to RM233 million (FY2022: RM164.0 million). The Group will be investing in 200,000 sq. ft. of new warehousing facilities (page 26 of Annual Report).**

- (1) What will be the capital expenditure incurred for the new facilities?**
- (2) Will this segment be able to grow its revenue for FY2024?**

FMGL's response:

The capital expenditure for the new 200,000 sq. ft. warehousing facilities is approximately RM52 million. This investment is consistent with the Group's commitment to increasing our own warehouse capacity while consolidating or replacing the leased or rented facilities.

The Group strives to achieve better growth despite the challenging market conditions.

**Q4) The proposed acquisition of CAC Logistics Services Pte Ltd ("CAC") in Singapore for SGD5.5 million will provide a gateway into the Singapore market (page 32 of Annual Report).**

- (1) When is the acquisition expected to be completed, and when is it expected to contribute revenue to the Group?**
- (2) What is Singapore's current revenue and profit contribution by segment?**

FMGL's response:

The Group completed the acquisition of CAC on 1 November 2023 via its indirect wholly-owned subsidiary, and CAC's financial results will be consolidated to the Group's financial performance starting November 2023. CAC is expected to contribute an estimated monthly revenue and profit after tax of approximately RM2,000,000 and RM200,000, respectively. The Group is in the process of establishing a management team in CAC, and the existing Country Manager has been appointed to continue directing the CAC business operations for the next two years.

Prior to this, there was no revenue and profit contribution from Singapore as the Group did not have any office there.

**Q5) The Group reported a significant increase in the number of staff, trailers, trucks and prime movers in FY2023 (page 4 and 5 of Annual Report).**

**Is the Management aggressively growing the capacity? Why did the Twenty-foot Equivalent Units ("TEU") drop despite the increase in capacity? Does this suggest lower utilization rate? How soon does the Management expect to fill these new capacities?**

FMGL's response:

The increase of this expenditure is in line with the Group's strategy and efforts to own and increase our fleets, reducing our dependence on third-party transportation. While the TEUs volume has declined, the Group remains confident that strong sales activities will continue to acquire new customers and broaden our customer base, driving profits. The Group will not just focus on capacity expansion but will also look for ways to improve performance and meet customers' expectations.

- Q6) The Segmental Contribution reported in page 143 of the Annual Report shows decline in all external revenue from the reported countries. Apart from the normalised freight charges, what are the other major factors that have caused the decline.**

FMGL's response:

The Group's revenue is mostly derived from the freight segment of approximately 75%, which is highly affected by industry freight rates. When the industry freight rates fall, the Group will adjust the freight cost charged to our customers to reflect the change. Additionally, there is also a flexibility for the Group to negotiate with the vendors (such as airlines and shipping lines) to secure more competitive freight rates, thereby increasing the Group's overall profitability. Other than the normalised freight charges, softening freight demand has also caused the decline in external revenue.

- Q7) Interest incomes from fixed deposits, repurchase agreement, savings and current accounts for FY2023 amounted to RM654,000 (Note 31 in page 205 of the Annual Report), for which these incomes were below 1% of the total cash and cash equivalents of RM105.7 million held as of 30 June 2023.**

**(1) Why is the finance income so low compared to the cash held by the Group?**

**(2) Are the finance incomes from cash reserves reported in other income?**

FMGL's response:

As a logistics-focused entity, the Group's primary source of earnings is derived from logistics-related activities, and the Group will prioritise managing our freight forwarding business operations and financial performance. In terms of investment and financing, the Group will ensure that we have sufficient funds for working capital to conduct the business effectively.

All financial interest incomes are recorded as Other Income.

- Q8) Other Income increased from RM9.06 million to RM12.94 million in FY2023. (Page 132 of Annual Return)**

**(1) What are the main components of "Other Income"?**

**(2) What are the reasons for the substantial increase in FY2023?**

FMGL's response:

The increase in Other Income for FY2023 was mainly attributable to the reversal of receivables impairment, amounting to RM3.0 million. There was also fair value gain from investment amounting to RM0.5 million.

- Q9) Despite the decline in total borrowings in FY2023, the finance costs increased from RM5.68 million to RM7.8 million. In view of the current high cash balances as at 30 June 2023, will the Group reduce the levels of borrowing to reduce the finance costs (page 132 of Annual Return)?**

FMGL's response:

There is always an ongoing and evolving process to have sufficient funds for business expansion as and when an opportunity arises. In addition, the Group will be in a stronger position to negotiate for a better and more competitive price or terms.

**Q10) May I know the Company's future outlook?**

FMGL's response:

The future outlook for FY2024 is expected to be challenging and softer. However, the Group will ensure that these challenges do not restrict the Group from pursuing business growth through alternative means.