

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

MINUTES OF THE EXTRAORDINARY GENERAL MEETING (“EGM”) OF FREIGHT MANAGEMENT HOLDINGS BHD. (“FMH” OR “THE COMPANY”) CONDUCTED FULLY VIRTUAL FROM THE ONLINE MEETING PLATFORM VIA TIIH ONLINE WEBSITE AT [HTTPS://TIIH.ONLINE](https://tiih.online) PROVIDED BY TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD. IN MALAYSIA ON TUESDAY, 1 JUNE 2021 AT 10.00 A.M.

- Present : Tengku Nurul Azian Binti Tengku Shahrman (Chairperson)
: 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
: Soh Chin Teck (Independent Non-Executive Director)
: Lau Swee Chin (Independent Non-Executive Director)
: Khua Kian Keong (Non-Independent Non-Executive Director) – also as a proxy for Singapore Enterprises Private Limited
- In Attendance : Fong Sok Yee (Company Secretary)
- By Invitation : Chan Ying Wei (Group Financial Controller)
: Ivy Yong Pek Yen (Group Accountant)
: Low Eng Kiat
: Alicia Chang Kar Wai } (representing CIMB Investment Bank Berhad, the principal adviser of the corporate proposal of the Company (“**Principal Adviser**”))

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

1. CHAIRPERSON

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

She then introduced the Board members, Company Secretary and the representatives from CIMB Investment Bank Berhad, the Principal Adviser to the attendees.

2. NOTICE

The notice of the EGM dated 17 May 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 fully 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 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 had to be voted by poll.

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 procedure and the manner to pose questions at the meeting via the RPV application were presented to the shareholders and proxies.

5. **PROPOSED BONUS ISSUE**

The Chairperson informed that the purpose of the EGM was to seek the shareholders' approval on the proposed bonus issue of 279,222,415 new ordinary shares in the Company on the basis of one (1) bonus share for every one (1) existing share held in the Company on an entitlement date to be determined and announced later ("**Proposed Bonus Issue**"). The full details of the Proposed Bonus Issue were set out in the Circular to Shareholders dated 17 May 2021.

The Chairperson briefed that Proposed Bonus Issue was intended to reward shareholders for their continuous support to the Group by allowing them to increase the number of shares held in the Company without incurring any additional costs while maintaining their percentage of equity interests and improving the marketability and trading liquidity of the Company's shares on Bursa Malaysia Securities Berhad.

The Chairperson invited questions from the shareholders and proxies in respect of the Proposed Bonus Issue. All questions raised by the shareholders and proxies that were submitted before the meeting and during the meeting, as follows, were addressed by the Group Managing Director:-

- (1)
 - (i) **How will operations be affected by MCO 3.0?**
 - (ii) **What keeps the Chief Executive Officer awake at night (What is the main concern of the Group)?**
 - (iii) **How is the situation with regards to the shortage of shipping containers?**
 - (iv) **What is the trend of sea freight charges?**

[Questions posed by Mr Teh Kian Lang]

FMH's response:

- (i) The Group's operation has not been materially impacted by the various types of Movement Control Order ("**MCO**") imposed by the Government as the Group is categorised as "Essential Services" and authority was given to continue operation during the MCO periods. However, the Group's business will be impacted if the customers are affected by the MCO restrictions.
- (ii) As an essential service provider, FMH strives to ensure smooth operation and deliver uninterrupted service during the MCO periods. Therefore, the Group's utmost priority is to safeguard the health and safety of employees throughout the entire operation. The Group has been adhering to the operational health and safety standard operating procedures as well as strictly adhering to social distancing and good hygiene practices to help contain the spread of Covid-19 and to ensure the sustainability of the business. Employees have also been encouraged to get the Covid-19 vaccination.

- (iii) The shortage of shipping containers arising from the Covid-19 pandemic has been affecting the international supply chains. Continuous negotiations with shipping lines are crucial in ensuring getting containers to serve the customers.
- (iv) The sea freight charges remain high, with increased cost in certain destinations. Our customers, however, continues to be supportive.

(2) **How much does the Company spend on the virtual EGM?**

[Question posed by Mr Teh Peng Tin]

FMH's response:

The cost incurred for the EGM is approximately RM20,000.

(3) **Request for e-voucher or e-wallet.**

[Question posed by multiple shareholders]

FMH's response:

The Board will give due consideration to the request.

(4) (i) **What are FMH's forecast for 2021 and estimated growth in revenue?**

(ii) **With the current increase in freight charges and shortage of containers, has FMH been affected and has FMH been able to pass on the charges to its customers?**

(iii) **What are FMH's main markets in 2021 in terms of countries and region?**

(iv) **What are FMH's strengths?**

[Questions posed by Mr See Kian Seng]

FMH's response:

(i) The Board is optimistic that the financial performance of the Group for the financial year ending 30 June 2021 will be better than the financial year 2020, barring any unforeseen circumstances arising from the implementation of total lockdown of social and economic sectors nationwide beginning 1 June 2021.

(ii) The questions on the impact from the increase in freight charges and shortage of containers have been addressed in items 1(iii) and (iv). The higher freight charges will eventually be passed on to customers.

(iii) The Group is an international freight service provider, offering worldwide freight forwarding and logistics services to all major markets and is not limited to certain areas.

(iv) The Group is one of the leading freight service providers in the country, particularly in sea freight and air freight, and has presence in not only Malaysia but also in the ASEAN region, India, Australia, the Middle East and the United States of America. The key strength of FMH is the Group's diversified geographical exposure, which has led to the resilience and flexibility of its networks and logistics operations worldwide.

(5) **When will the bonus issue exercise complete?**

[Question posed by Mr Liew Chee Seng]

FMH's response:

The Company is targeting to complete the bonus issue exercise by the end of June 2021, subject to obtaining the approval from shareholders at the EGM. The Company will make an announcement to Bursa Malaysia Securities Berhad once it

is completed.

- (6) **Why do you need an EGM for the bonus issue exercise? Is it a legal requirement?**

[Question posed by Mr Leo Ann Puat]

FMH's response:

Yes, it is a requirement under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad to obtain shareholders' approval on the Proposed Bonus Issue.

6. 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 was adjourned at 10.20 a.m. to facilitate the counting of votes by the Poll Administrator and verification of the poll results by the Scrutineers.

7. ANNOUNCEMENT OF POLL RESULTS

The Meeting resumed at 10.35 a.m. after obtaining the poll result from the Scrutineers. The result of the poll was presented to the meeting. The Chairperson declared that the resolution on the Proposed Bonus Issue was duly passed by the shareholders and proxies of the Company, as follows:-

ORDINARY RESOLUTION

PROPOSED BONUS ISSUE OF 279,222,415 NEW ORDINARY SHARES IN FREIGHT MANAGEMENT HOLDINGS BHD. ("FREIGHT MANAGEMENT SHARE(S)" OR "SHARE(S)") ("BONUS SHARE(S)") ON THE BASIS OF 1 BONUS SHARE FOR EVERY 1 EXISTING SHARE HELD ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER

By a vote of 123,582,995 shares (representing 99.9882%) voted for and 14,545 shares (representing 0.0118%) voted against the Resolution, it was **RESOLVED**:-

THAT subject to the approvals of all relevant regulatory authorities for the listing of and quotation for 279,222,415 new ordinary shares in the Company ("**Bonus Shares**") on the Main Market of Bursa Malaysia Securities Berhad, the Board of Directors ("**Board**") be and is hereby authorised to issue 279,222,415 Bonus Shares in the share capital of the Company on the basis of 1 Bonus Share for every 1 existing Share held by shareholders of the Company whose names appear in the Record of Depositors of the Company ("**Entitled Shareholders**") as at the close of business on the date to be determined and announced later by the Board ("**Entitlement Date**") ("**Proposed Bonus Issue**");

THAT the Bonus Shares shall, upon allotment and issuance, rank equally in all respects with the then existing Shares in the Company, save and except that the Bonus Shares will not be entitled to any dividends, rights, allotments, and/or other forms of distribution that may be declared, made or paid to shareholders prior to the Entitlement Date;

AND THAT the Board be and is hereby authorised to take all such necessary steps to give effect to the Proposed Bonus Issue with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as the Board may deem necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue.

8. CLOSURE OF MEETING

The meeting concluded at 10.40 a.m. with a vote of thanks to the Chair.

SIGNED AS A CORRECT RECORD

CHAIRPERSON

Date: 19 August 2021