

**AHMAD ZAKI RESOURCES BERHAD**  
**Registration No. 199701017271 (432768-X)**  
**(Incorporated in Malaysia)**

**MINUTES OF THE 26<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY CONDUCTED FULLY VIRTUAL FROM THE BROADCAST VENUE AT BOARDROOM, 7TH FLOOR, MENARA AZRB, NO. 71, PERSIARAN GURNEY, 54000 KUALA LUMPUR ON TUESDAY, 12 DECEMBER 2023, AT 10.30 A.M.**

**PRESENT:**

**At Broadcast Venue**

***Directors***

Tan Sri Dr Madinah binti Mohamad, *Independent Non-Executive Chairman* (“Tan Sri Dr Madinah” or “Chairman”)

Dato’ Sri Wan Zakariah bin Haji Wan Muda, *Group Managing Director* (“GMD”)

Dato’ Ir. W Zulkifli bin Haji W Muda, *Deputy Group Managing Director 1* (“DGMD 1”)

Dato’ Roslan bin Tan Sri Jaffar, *Deputy Group Managing Director 2* (“DGMD 2”)

Tan Sri Dato’ Lau Yin Pin, *Non-Independent Non-Executive Director*

Mr. Lee Chee Khoon, *Independent Non-Executive Director*

***Management***

Encik Shahrulanuar bin Ishak, *Chief Financial Controller* (“CFO”)

Encik Mohammad Fauzi bin Haji Ahmad – *Director, Concession Division*

***Company Secretary***

Puan Suzana binti Sanudin

**Via Video Conferencing**

Dato’ Ir. Haji Che Noor Azeman bin Yusoff, *Independent Non-Executive Director*

**Via Remote Participation**

Shareholders/Proxies/Invitees as per Attendance List

**1 CHAIRMAN**

1.1 Tan Sri Dr Madinah binti Mohamad welcomed all the shareholders and proxies who joined the AGM remotely from various locations through live streaming to consider the business as set out in the notice of AGM dated 31 October 2023.

1.2 The Chairman informed that in the best interest of shareholders, the AGM was conducted virtually, which is in line with Section 327 of the Companies Act, 2016 and the Company’s Constitution, whereby shareholders would be able to participate online and to vote remotely on the resolutions.

1.3 The Chairman then introduced the members of the Board, Management Team and the Company Secretary, who were present physically at the Broadcast Venue and via video conferencing.

**2 QUORUM**

2.1 Upon confirmation of a requisite quorum present pursuant to Clause 75 of the Company’s constitution, the Chairman called the meeting to order at 10.30 a.m.

**3 NOTICE OF MEETING**

3.1 The notice convening the meeting which have been circulated to all the members of the Company as well as announced to Bursa Malaysia Securities Berhad (“Bursa Securities”) and duly advertised in the New Straits Times within the prescribed period, was taken as read.

## **AHMAD ZAKI RESOURCES BERHAD**

Minutes of 26<sup>th</sup> AGM on 12 December 2023

### **4. BRIEFING ON THE HOUSEKEEPING PROCEDURES**

- 4.1 Before proceeding with the business of the AGM, the Chairman informed that pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out in the Notice of a general meeting must be voted by poll and at least one (1) scrutineer must be appointed to validate the votes casted at the general meeting.
- 4.2 The Chairman mentioned that pursuant to Clause 79 of the Constitution of the Company, the poll would be conducted electronically via remote participation facility provided by Mega Corporate Services Sdn Bhd, the appointed Poll Administrator and would be verified by Cygnus Technology Solutions Sdn Bhd, the appointed Scrutineer of the Company. To facilitate the flow of the meeting, the voting would be conducted after the deliberation on all proposed resolutions as stipulated in the Agenda.
- 4.3 The Chairman further informed that during the Question & Answer ("Q&A") session, the questions received from the shareholders prior to, and during the AGM, shall be addressed. Where there were overlapping and similar areas in the scope of the questions posted, such questions would be moderated before providing the overview responses accordingly. In the event there are questions that were not addressed during the Meeting, the Company will reply after the meeting soonest possible.
- 4.4 The Chairman also briefed on the electronic polling process for the shareholders.
- 4.5 The Chairman mentioned that the Company had received written inquiry from Minority Shareholders Watch Group (MSWG) and the Chairman then invited the CFO to present the Company's replies. The list of questions and the Company's responses are set out in **Annexure A**.

### **5 AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

- 5.1 The Audited Financial Statements for the financial year ended 30 June 2023 together with the Reports of the Directors and Auditors thereon were laid before the meeting pursuant to Section 248(2) and Section 340(1)(a) of the Companies Act 2016.
- 5.2 The Chairman declared that the financial statements and the reports therein were taken as laid before the meeting pursuant to Section 248(2) and Section 340(1)(a) of the Companies Act, 2016.

### **6 TO APPROVE THE PAYMENT OF DIRECTORS' FEES AND BENEFITS OF UP TO RM 1,500,000 FOR THE PERIOD FROM THE CONCLUSION OF 26<sup>th</sup> ANNUAL GENERAL MEETING TO THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY**

- 6.1 The Chairman proceeded with next item on the Agenda i.e. to approve the payment of Directors' Fees and Benefits of up to RM1,500,000 for the period from the conclusion of 26<sup>th</sup> Annual General Meeting to the next Annual General Meeting of the Company. The interested directors would abstain from voting on Directors' fees.

## **AHMAD ZAKI RESOURCES BERHAD**

Minutes of 26<sup>th</sup> AGM on 12 December 2023

### **7 RE-ELECTION OF DIRECTORS RETIRING UNDER CLAUSE 95 OF THE CONSTITUTION OF THE COMPANY**

7.1 The Chairman informed the meeting that the following Directors were retiring by rotation pursuant to Clause 95 of the Company's Constitution and being eligible, had offered themselves for re-election:-

- a) Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng
- b) Tan Sri Dr Madinah binti Mohamad

### **8. RE-ELECTION OF DIRECTOR RETIRING UNDER CLAUSE 102 THE CONSTITUTION OF THE COMPANY**

8.1 The Chairman informed the meeting that Mr. Lee Chee Khoo was retiring by rotation pursuant to Clause 102 of the Company's Constitution and being eligible, had offered himself for re-election.

### **9. RE-APPOINTMENT OF AUDITORS**

9.1 The Chairman proceeded to the next item on the agenda i.e. the re-appointment of Grant Thornton Malaysia PLT as Auditors of the Company for the financial year ending 30 June 2024 and to authorise the Directors to determine their remuneration. Grant Thornton Malaysia PLT has indicated their willingness and consent to accept the re-appointment.

### **10. AUTHORITY TO DIRECTORS TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 & 76 OF THE COMPANIES ACT, 2016**

10.1 The Chairman proceeded to move motion in relation to Authority to allot and issue shares pursuant to Section 75 & 76 of the Companies Act, 2016 and waiver on the statutory pre-emptive rights of the shareholders pursuant to Section 85 of the Companies Act 2016, which is as set out in the Notice of meeting.as set out in the notice of AGM.

### **11. PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTION OF A REVENUE OR TRADING NATURE**

11.1 The Chairman proceeded to move the motion in relation to Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transaction of a Revenue or Trading Nature as set out in the notice of AGM. The details of the proposal, the list of related parties and recurrent related party transactions have been duly spelt out in the Circular to Shareholders dated 31 October 2023.

11.2 The Interested Directors have abstained from Board deliberation and decision making. They undertook to ensure that they and the persons connected with them would abstain from voting on the proposed recurrent related party transactions at the AGM.

**12. PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

12.1 The Chairman proceeded to the next agenda on special business is pertaining to the Proposed Renewal of Share Buy-Back Authority, as contained in the Circular to Shareholders dated 31 October 2023, subject to the approval of the relevant authorities.

**13. QUESTION AND ANSWER**

13.1 A summary of questions raised by the Shareholders together with the Company's responses was annexed hereto and marked as **Annexure B**.

**14. ANY OTHER BUSINESS**

14.1 The Meeting was advised that there was no other business to be transacted at the Meeting of which due notice had been given.

**15. POLLING**

15.1 The Chairman informed that the Meeting was adjourned for approximately 10 minutes for the polling and the vote results to be verified.

**16. ANNOUNCEMENT OF POLL RESULTS**

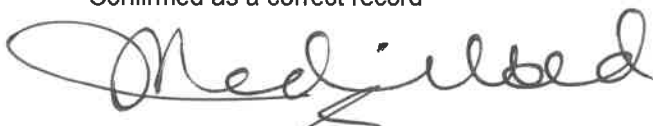
16.1 The Meeting resumed and the Chairman called the meeting to order at 10.55 a.m. for the declaration of results. The Chairman informed that the appointed scrutineers, Cygnus Technology Solutions Sdn Bhd had confirmed that the poll voting results as projected on the screen had been verified. Based on the poll results verified by the Scrutineers, the Chairman declared that all ordinary resolutions tabled at the 26<sup>th</sup> Annual General Meeting carried. The poll voting results is attached as **Annexure C**.

**17. CLOSURE OF MEETING**

17.1 The Chairman on behalf of the Board and Management recorded appreciation to the Company's former Chairman, YM Raja Tan Sri Dato' Seri Aman bin Raja Haji Ahmad, as well as former Board member, YBhg. Tan Sri Dato' Sri Haji Wan Zaki bin Haji Wan Muda for their contributions as Directors of Ahmad Zaki Resources Berhad

17.2 As there was no other matter to be discussed for which due notice has been given in accordance with the Companies Act, 2016, the meeting concluded at 11.05 a.m. with a note of thanks to the Chair.

Confirmed as a correct record



CHAIRMAN

11 December 2023

Minority Shareholders Watch Group  
Tingkat 11, Bangunan KWSP,  
No. 3, Changkat Raja Chulan,  
50200 Kuala Lumpur  
**Attention: Mr Devanesan Evanson**  
**Chief Executive Officer**

Dear Sir,

Ahmad Zaki Resources Berhad ("AZRB" or "Company")  
26th Annual General Meeting on 12 December 2023

We thank you for your letter which was received via email on 20 November 2023.

Please find our response to the questions raised by you, which will also be highlighted to those who attend our 26th AGM scheduled to be held on 12 December 2023:

**Question 1**

In FYE2023, AZRB's Plantation Division recorded a higher operating loss of RM60,413,000 compared to the operating loss of RM29,753,000 recorded in FYE2022 (Pages 217-218 of the Annual Report 2023/AR2023). The higher operating loss was due to issues, namely the efficiencies of Fresh Fruit Bunch processing and a significant reduction in Crude Palm Oil (CPO) production that had caused major maintenance in the plantation mill, the condition of the CPO market in Indonesia being bearish and CPO prices dropped significantly by more than 50% post-major maintenance work, and sudden regulation which made traders and buyers cancelling their CPO purchases. These issues have impacted the Division's cash flow and ability to operate as before. The cash flow issue faced by the Group also restricted its ability to support the plantation (Page 27 of AR2023).

AZRB is looking to take the necessary steps to restructure the plantation operations to limit the mounting losses and mitigate its crushing impact on the Group's bottom line (Page 8 of AR2023).

- (a) What is the progress of exploring the necessary steps, and which steps are being considered to restructure the plantation operations, and why?

**Our response**

The Group announced on 20 November 2023 of its intention to dispose of its 95% interest in PT Ichtar Gusti Pudi ("PTIGP"). As announced on 27 November 2023, the Group entered into a Share Sale Agreement ("SSA") with Denai Saujana Sdn Bhd for the disposal of its entire 95% equity interest in PTIGP which comprises 31,350,000 ordinary shares for a total cash consideration of RM1.00.

(b) What is the targeted timeframe for the restructuring exercise?

**Our response**

**As announced on 27 November 2023, the Group has fully disposed of its Plantation unit, PTIGP to Denai Saujana Sdn Bhd.**

**Question 2**

**Impairment loss on trade receivables and inventories written down.**

(a) There is an impairment loss on trade receivables of RM8,912,000 recorded in FYE2023 (FYE2022: Nil) (Page 168 of AR2023).

i. Which trade receivables are involved in the impairment loss exercise?

**Our response**

**The impairment loss on trade receivables was mainly from PTIGP for impairment made on its long outstanding amount from customers due the uncertainty as to whether the amount is recoverable.**

ii. What are the measures taken to recover the amount?

**Our response**

**Normal measures taken by the Group to recover long outstanding debts includes sending reminders (via verbal, emails and official letters), stop work order if required, demand letter and also legal action.**

iii. How much of the amount has been recovered, to-date? What is the expected amount to be recovered in FYE2024?

**Our response**

**As at the date of the disposal, none of the debt has been recovered.**

(b) In FYE2023, the Group had written down its inventories amounting to RM5,246,000 (FYE2022: Nil) (Page 168 of AR2023).

i. What has caused the Group to record a write-down of inventories in FYE2023?

**Our response**

**The inventories of the plantation company had to be written down due to the deteriorating condition of the stocks due to non-operation.**

ii. What is the prospect of reversing the amount in FYE2024?

**Our response**

**The Group does not foresee that PT IGP would be able to reverse the amount in 2024 as the condition of the stocks are not reversible.**

### Question 3

The Group achieved a double-digit Gross Profit Margin (GPM) of 19.71% (RM74,973,000/RM380,444,000×100) in FYE2023 from a single-digit GPM of 7.20% (RM52,040,000/RM723,142,000×100) in FYE2022 (Page 113 of AR2023).

- (a) What are the reasons for the sharp increase in the GPM level?

#### Our response

The increase in the GPM has resulted from the higher gross profit recognised by Engineering & Construction (E&C)'s Division due to the recognition of work for KLOR project that recommence during the 2H of FYE2023.

- (b) Does the Group expect its GPM to remain at the same level or higher in FYE2024? What is the outlook for the Group's GPM, moving forward?

#### Our response

The Group expects the work for KLOR project will complete in FY2025. As announced, we have also been awarded the Cameron project from JKR, additional works in UIA Kuantan Medical Campus and construction of the Kuantan Mosque by MUIP. We expect the GPM to be healthy in the coming years.

### Question 4

What is the progress of the Group's current projects? Are any of the Group's projects facing issues requiring close attention and monitoring? If yes, which are the projects and what are the issues, and how does the Group intend to address them?

#### Our response

The Group's major project is the construction of EKVE Highway. At the moment, the project is at 85% completion. The Group has obtained funding from its lenders (Banks & MOF) which will then enable to Group to complete the remaining works of the EKVE Highway.

### Question 5

The Group is set to leverage its impressive track record in Engineering & Construction to replenish its order book, which amounted to an outstanding value of RM967 million as at the close of FYE2023. The Group has assessed this amount as sufficient to sustain operations for the new financial year (Page 29 of AR2023).

As the outstanding orderbook amount is only sufficient to sustain operations for the new financial year, what is the Group's targeted replenishment orderbook in the next two financial years?

#### Our response

The Group has participated in tenders and is optimistic to win contracts for new projects in the next financial year.

**Question 6**

The Company has departed from applying Practice 1.4 of the Malaysian Code on Corporate Governance ("MCCG") (Page 5 of CG Report).

Practice 1.4 of MCCG states that the Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee.

In the Company's case, the Chairman of the Board is a member of Remuneration Committee.

The Chairman of the board should not be involved in these committees to ensure there is check and balance as well as objective review by the board (Guidance/G1.4 of MCCG). Please take note.

**Our response**

The Board noted MCCG recommendation that the Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee. The Board had recomposed the Remuneration Committee with effect from 1 December 2023, whereby Tan Sri Dr Madinah binti Mohamad had resigned as member of Remuneration Committee and replaced by Dato' Ir. W Zulkifli bin W Muda.

**Question 7**

The Company has also departed from applying Practice 5.8 of MCCG (Page 24 of CG Report) as a Non-Independent Non-Executive Director of the Company chairs its Nomination Committee.

Practice 5.8 states that an Independent Director or the Senior Independent chairs the Nominating Committee.

As chair of the NC, the independent director or a Senior Independent Director shall—

- lead the succession planning and appointment of directors, and oversee the development of a diverse pipeline for board and management succession, including the future Chairman, Executive Directors and CEO; and
- lead the annual review of board effectiveness, ensuring that the performance of each individual director and Chairman of the board is independently assessed.

(Guidance/G5.8 of MCCG)

Based on these needs, the Nominating Committee should be chaired by an independent director or a Senior Independent Director. Please take note.

**Our response**

The Board noted MCCG recommendation that the Nominating Committee should be chaired by an independent director or a Senior Independent Director. The Board had recomposed the Nomination Committee with effect from 1 December 2023, whereby Dato' Ir. Haji Che Noor Azeman Bin Yusoff, a Senior Independent Director of AZRB was re-designated as Chairman of the Nomination Committee and Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng was re-designated as member of the Nomination Committee.

Yours faithfully,

For and on behalf of AHMAD ZAKI RESOURCES BERHAD



**DATO' SRI WAN ZAKARIAH BIN HAJI WAN MUDA**  
Group Managing Director



**AHMAD ZAKI RESOURCES BERHAD**  
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**“ANNEXURE B”**

-Minutes of 26<sup>th</sup> Annual General Meeting held on 12 December 2023

**SUMMARY OF QUESTIONS RAISED BY THE SHAREHOLDERS AND THE COMPANY’S RESPONSES**

No.	Shareholder(s)	Questions	Answers/Comments
1.	<b>Ahmad Marzuki Abd. Razak Suan Bee Lee</b>	How much are we spending for this e AGM	The cost of doing an online AGM is reasonably lower than doing a physical meeting.
2.	<b>Yueh Weng Ho</b>	Why is our Co. in litigation and what is their status and financial impact on our Co. & have they been provided for to date?	It is in the normal course of business where there are disputes and litigation. Each situation are assess and address individually by management based on the merit of each case.
3.	<b>Norhisam Sidek</b>	Morning Tan Sri Dr Chairman, what is the number of registered shareholders and proxies attending the AGM today? Thank you.	There are 88 registered shareholders and proxies attending the AGM
3.	<b>Lee Suan Bee</b>	I would like to request a printed hard copy of the company annual report.	We will arrange to send a printed hard copy Annual Report.
4	<b>a) Chee Teng Ho b) Lee Suan Bee c) Wan Mohd Rushdi W A Lah</b>	Would the BOD kindly give e- wallet as a token of appreciation for attending today’s RPV.	The company does not practice on giving e- vouchers or e- wallet.

No.	Shareholder(s)	Questions	Answers/Comments
	d) Tee Tzien Yung e) Liew Thye f) Lim Jit Thin g) Tee Beng Ngo		
5.	<b>Teh Kian Lang</b>	When will plantation turn around. What is problem	As announced on 27 November 2023, the Group has fully disposed of its Plantation unit, PTIGP to Denai Saujana Sdn Bhd.
6.	<b>Norhisam Sidek</b>	What is the business outlook in next financial year	Although AZRB Group is not completely out of the woods, with the current project on hand, new projects awarded as announced and new tenders participated, we are optimistic on the outlook of the Group.

# Scrutineers' Report

## Poll Results for AHMAD ZAKI RESOURCES BERHAD AGM on December 12, 2023

No.	Ordinary Resolution	Vote FOR			Vote AGAINST			Resolution
		Voters	No. of Shares	%	Voters	No. of Shares	%	
1	TO APPROVE THE PAYMENT OF DIRECTORS' FEES AND BENEFITS	49	328,360,365	99.9517	23	158,779	0.0483	CARRIED
		8	Vote ABSTAIN					
			18,331,271	-				

No.	Ordinary Resolution	Vote FOR			Vote AGAINST			Resolution
		Voters	Shares	%	Voters	Shares	%	
2	TO RE-ELECT TAN SRI DATO' LAU YIN PIN @ LAU YEN BENG	71	346,821,065	99.9915	9	29,350	0.0085	CARRIED



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No. Ordinary Resolution	Vote FOR			Vote AGAINST			Resolution
	Voters	No. of Shares	%	Voters	No. of Shares	%	
3 TO RE-ELECT TAN SRI DR MADINAH BINTI MOHAMAD	69	343,934,315	99.9862	10	47,350	0.0138	CARRIED
	1	Vote ABSTAIN 2,868,750		-			

No. Ordinary Resolution	Vote FOR			Vote AGAINST			Resolution
	Voters	Shares	%	Voters	Shares	%	
4 TO RE-ELECT MR. LEE CHEE KHOON	72	346,822,752	99.9920	8	27,663	0.0080	CARRIED
5 TO RE-APPOINT GRANT THORNTON MALAYSIA PLT	74	346,841,191	99.9973	6	9,224	0.0027	CARRIED



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No. Ordinary Resolution	Vote FOR			Vote AGAINST			Resolution
	Voters	Shares	%	Voters	Shares	%	
6 AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016	62	346,714,923	99.9609	18	135,492	0.0391	CARRIED

No. Ordinary Resolution	Vote FOR			Vote AGAINST			Resolution
	Voters	No. of Shares	%	Voters	No. of Shares	%	
7 PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RRPT	54	2,661,196	98.8123	10	31,987	1.1877	CARRIED
	15	Vote ABSTAIN					
		344,157,227	-				



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Scrutineers' Report for Ahmad Zaki Resources Berhad AGM | Tuesday, 12 December, 2023



No.	Ordinary Resolution	Vote FOR			Vote AGAINST			Resolution
		Voters	Shares	%	Voters	Shares	%	
8	PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY	72	346,837,430	99.9963	8	12,985	0.0037	CARRIED



**Cygnus Technology Solutions Sdn. Bhd.**

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