

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

MINUTES OF THE TWENTY-THIRD (23RD) 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 THURSDAY, 19 NOVEMBER 2020, AT 10.00 A.M.

Present	:	As per Attendance List
Chairman	:	Raja Tan Sri Dato' Seri Aman bin Raja Haji Ahmad
In Attendance	:	Seuhailey binti Shamsudin - Company Secretary
By Invitation	:	As per Attendance List

1. CHAIRMAN

- 1.1 Raja Tan Sri Dato' Seri Aman bin Raja Haji Ahmad took the chair and called the Meeting to order at 10.00 a.m.
- 1.2 The Chairman informed the attendees that the Meeting was conducted in a fully virtual environment in accordance with the Securities Commission's Guidance on the Conduct of General Meetings for Listed Issuers as well as in line with Government's efforts to encourage social distancing and limiting mass gathering to prevent the spread of COVID-19.
- 1.3 The Chairman then introduced the members of the Board, the Chief Financial Officer, the Chief Financial Controller, the Company Secretary and the External Auditors, who were present physically and via video conferencing.
- 1.4 The Chairman also expressed his appreciation to Dato' Haji Mustaffa bin Mohamad, who had resigned from the Board on 16 October 2020 and thanked him for his invaluable contribution and guidance during his tenure as a Director of the Company.

2. QUORUM

- 2.1 The requisite quorum being present pursuant to Clause 75 of the Constitution of the Company, the Chairman declared the Meeting duly convened.

3. NOTICE OF MEETING

- 3.1 The Notice convening the Meeting having been circulated together with the Annual Report within the prescribed period was taken as read.

4. BRIEFING ON THE MEETING PROCEDURES

- 4.1 The Chairman briefed the shareholders on the meeting procedures to be adhered pertaining to the fully virtual meeting, in tabling and approving the resolutions via the online polling platform for the proposed 10 ordinary resolutions as set out in the notice of meeting circulated to the shareholders on 28 October 2020.
- 4.2 The Board put all the resolutions to vote by poll pursuant to Clause 79 of the Constitution of the Company which 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 IT Solutions PLT, the appointed Independent Scrutineer of the Company. In order 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 shareholders were allowed to submit questions during the Meeting and the Board would answer the questions after tabling all the resolutions. In the event that the Bard was unable to answer all the questions, the Company would reply after the Meeting soonest possible.
- 4.4 The Chairman then invited Mega Corporate Services Sdn Bhd, the Poll Administrator to brief on the electronic polling process.

5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020

- 5.1 The Audited Financial Statements for the financial period ended 30 June 2020 together with the Reports of the Directors and Auditors thereon were laid before the meeting pursuant to 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 340(1)(a) of the Companies Act, 2016.

6. TO APPROVE THE PAYMENT OF DIRECTORS' FEES AND BENEFITS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020

- 6.1 The next item on the Agenda was to approve the payment of Directors' fees and benefits for the financial period ended 30 June 2020.
- 6.2 The Chairman put the motion to vote by poll.

7. TO APPROVE THE PAYMENT OF DIRECTORS' FEES AND BENEFITS OF UP TO RM1,050,000 FOR THE PERIOD FROM THE CONCLUSION OF 23RD ANNUAL GENERAL MEETING TO THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY

7.1 The next item on the Agenda was to approve the payment of Directors' fees and benefits of up to RM1,050,000 for the period from the conclusion of 23rd Annual General Meeting to the next Annual General Meeting of the Company.

7.2 The Chairman put the motion to vote by poll.

8. RE-ELECTION OF DIRECTORS RETIRING UNDER THE PROVISION OF THE CONSTITUTION OF THE COMPANY

8.1 The Chairman informed the Meeting that Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng was retiring by rotation pursuant to Clause 95 of the Company's Constitution and being eligible, had offered himself for re-election.

8.2 The Chairman also informed the meeting that the following Directors who retired by rotation pursuant to Clause 95 of the Company's Constitution, expressed their intention not to seek re-election and accordingly, they would retain office until the close of the 23rd Annual General Meeting:

- (a) Datuk (Prof.) A. Rahman @Omar bin Abdullah; and
- (b) Dato' Sr. Abdull Manaf bin Hj Hashim.

8.3 The Meeting was also informed that Datuk Wira Azhar bin Abdul Hamid, who was retiring pursuant to Clause 102 of the Company's Constitution and being eligible, had offered herself for re-election.

8.4 The Chairman put the motions to vote by poll.

9. RE-APPOINTMENT OF DELOITTE PLT AS AUDITORS

9.1 The next item on the agenda was the re-appointment of Deloitte PLT as Auditors of the Company for the ensuing year and to authorise the directors to determine their remuneration.

9.2 The Chairman put the motion to vote by poll.

10. AUTHORITY TO DIRECTORS TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 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 Sections 75 and 76 of the Companies Act, 2016, as set out in the notice of the 23rd Annual General Meeting.

10.2 The Chairman put the motion to vote by poll.

11. PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

11.1 The Chairman proceeded to move the motion in relation to Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transaction of a Revenue or Trading Nature as set out in the notice of the 23rd Annual General Meeting.

11.2 The Chairman put the motion to vote by poll.

12. PROPOSED SHARE BUY-BACK OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY AT ANY GIVEN POINT IN TIME

12.1 The Chairman proceeded to move the motion pertaining to Proposed Share Buy-Back of up to 10% of the total number of issued shares of the Company at any given point in time as set out in the notice of the 23rd Annual General Meeting.

12.2 The Chairman put the motion to vote by poll.

13. AUTHORITY TO CONTINUE IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTORS

13.1 The next item concerned the retention of Raja Tan Sri Dato' Seri Aman bin Raja Haji Ahmad and Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng, who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine years.

As the Chairman was an interested party to the motion to be tabled, he handed over the Meeting to the Group Managing Director, Dato' Sri Wan Zakariah to continue with the Agenda.

13.2 The Group Managing Director, Dato' Sri Wan Zakariah put the following motions to vote by poll:

- (a) Authority be hereby given to Raja Tan Sri Dato' Seri Aman bin Raja Haji Ahmad to continue in office as Independent Non-Executive Director; and
- (b) Authority be hereby given to Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng to continue in office as Independent Non-Executive Director.

14. QUESTION AND ANSWER SESSION

A summary of questions raised by the shareholders together with the Company's responses were attached as "Annexure 1".

15. ANY OTHER BUSINESS

- 15.1 Upon the confirmation of the Company Secretary, the Chairman declared that the Company did not receive any notice to transact of any other business, which due notice had been given in accordance with the Companies Act, 2016.

16. POLLING

- 16.1 The Chairman informed that the Meeting was adjourned for approximately 20 minutes for the polling and vote results to be verified.

17. ANNOUNCEMENT OF POLL RESULTS

- 17.1 The Chairman called the Meeting to order at 10.45 a.m. for the declaration of results. He informed that he had received the poll results from Messrs. Cygnus IT Solutions PLT, summarised as follows:

- 17.2 RESOLUTION 1: TO APPROVE THE PAYMENT OF DIRECTORS' FEES AND BENEFITS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020

Resolution	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 1	351,768,003	99.6871	1,104,228	0.3129

Based on the poll result, the Chairman declared that Resolution 1 was carried as follows: -

“THAT the the payment of Directors’ fees and benefits for the financial period ended 30 June 2020 be hereby approved.”

- 17.3 RESOLUTION 2: TO APPROVE THE PAYMENT OF DIRECTORS' FEES OF UP TO RM1,050,000.00 FOR THE PERIOD FROM THE CONCLUSION OF THE 23RD ANNUAL GENERAL MEETING TO THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY

Resolution	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 2	351,749,130	99.6817	1,123,101	0.31827

Based on the poll result, the Chairman declared that Resolution 2 was carried as follows:

“THAT the payment of Directors’ fees of up to RM1,050,000.00 for the period from the conclusion of the 23rd Annual General Meeting to the next Annual General Meeting of the Company be hereby approved.”

17.4 RESOLUTION 3: TO RE-ELECT OF TAN SRI DATO' LAU YIN PIN @LAU YEN BENG AS DIRECTOR OF THE COMPANY

Resolution	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 3	355,945,318	99.9946	19,362	0.0054

Based on the poll result, the Chairman declared that Resolution 3 was carried as follows:

“THAT Tan Sri Dato' Lau Yin Pin @Lau Yen Beng, retiring pursuant to Clause 95 of the Company's Constitution be and is hereby re-elected as director of the Company.”

17.5 RESOLUTION 4: TO RE-ELECT DATO' WIRA AZHAR BIN ABDUL HAMID AS DIRECTOR OF THE COMPANY

Resolution	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 4	357,239,616	99.9930	25,064	0.0070

Based on the poll result, the Chairman declared that Resolution 4 was carried as follows:

“THAT Dato' Wira Azhar bin Abdul Hamid, retiring pursuant to Clause 102 of the Company's Constitution be and is hereby re-elected as director of the Company.”

17.6 RESOLUTION 5: TO RE-APPOINT MESSRS. DELOITTE PLT AS AUDITORS OF THE COMPANY FOR ENSUING YEAR AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION

Resolution	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 5	357,262,068	99.9993	2,612	0.0007

Based on the poll result, the Chairman declared that Resolution 5 was carried as follows:

“THAT Messrs. Deloitte PLT who have indicated their willingness to act as Auditors of the Company, be as is hereby appointed at a remuneration to be fixed by Directors.”

17.7 RESOLUTION 6: TO APPROVE THE AUTHORITY TO DIRECTORS TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

Resolution	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 6	357,143,979	99.9662	120,701	0.0338

Based on the poll result, the Chairman declared that Resolution 6 was carried as follows:

“THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 and subject to the approvals of the relevant authorities, the Directors be and are hereby empowered to issue new shares in the Company from time to time upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company AND THAT the Directors be and are hereby also authorised to obtain the approval from Bursa Malaysia Securities Berhad for the listing and quotation of the additional shares so allotted.”

17.8 RESOLUTION 7: TO APPROVE THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTION OF A REVENUE OR TRADING NATURE

Resolution	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 7	15,641,239	99.3295	105,589	0.6705

Based on the poll result, the Chairman declared that Resolution 7 was carried as follows:

“THAT, subject to the Companies Act, 2016 (“Act”), the Company’s Constitution and the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company, its subsidiaries or any of them to enter into any of the transactions falling within the types of the Recurrent Related Party Transactions, particularly of which are set out in the Circular to Shareholders dated 28 October 2020 with the Related Parties as described in the said Circular, provided that such transactions are of revenue or trading nature, which are necessary for the day-to-day operations of the Company and/or its subsidiaries, in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and not to the detriment of the minority shareholders and that such transactions are made on the arm’s length basis and on normal commercial terms.

THAT such approval shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company (being the 24th AGM of the Company), at which time the said authority will lapse, unless by a resolution passed at a general meeting whereby the authority is renewed;

- (b) the expiration of the period within which the next AGM of the Company (being the 24th AGM of the Company) is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting, whichever is the earliest,

AND THAT the Directors of the Company be authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.”

17.9 RESOLUTION 8: TO APPROVE THE PROPOSED SHARE BUY BACK OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY AT ANY GIVEN POINT IN TIME

Resolution	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 8	357,262,343	99.9994	2.337	0.0006

Based on the poll result, the Chairman declared that Resolution 8 was carried as follows:

“THAT, subject to the Companies Act, 2016 (“Act”), rules, regulations and orders made pursuant to the Act, the Company’s Constitution, the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) and any other relevant authorities, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia and/or hold from upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company, provided that:

- (a) the aggregate number of ordinary shares in the Company purchased (“Purchased Share(s)”) and/or held as treasury shares pursuant to this ordinary resolution shall not exceed 10% of the total number of issued shares of the Company at any point in time; and
- (b) the maximum funds to be allocated by the Company for the Proposed Share Buy-Back shall not exceed the total retained earnings of the Company at the time of the purchase.

THAT upon purchase by the Company, the Directors of the Company shall have the absolute discretion to decide whether such Purchased Shares of the Company are to be cancelled and/or retained as treasury shares, or dealt with in such manner as provided under the Act, rules, regulations and orders made pursuant to the Act and the Listing Requirements of Bursa Malaysia;

THAT the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and will continue to be in force until:

- (i) the conclusion of the next Annual General Meeting (“AGM”) of the Company at which time the authority shall lapse unless by an ordinary resolution passed at the AGM, the authority is renewed, either unconditionally or subject to conditions;

- (ii) the expiration of the period within which the AGM of the Company is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting,

whichever occurs first, but not so as to prejudice the completion of the purchase(s) by the Company of its shares before the aforesaid expiry date and made in any event, in accordance with the provisions of the Act, rules and regulations made pursuant to the Act, the Listing Requirements of Bursa Malaysia, and any requirements issued by any other relevant government and/or regulatory authorities.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise, complete or to give effect to the Proposed Share Buy-Back 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 they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Share Buy-Back.”

17.10 RESOLUTION 9: TO CONTINUE IN OFFICE AS INDEPENDENT NON- EXECUTIVE DIRECTOR

Resolution	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 9	357,050,904	99.9961	13,776	0.00386

Based on the poll result, the Chairman declared that Resolution 9 was carried as follows:

“THAT Raja Tan Sri Dato’ Seri Aman bin Raja Haji Ahmad to continue to serve as Independent Non-Executive Director of the Company”.

17.11 RESOLUTION 10: TO CONTINUE IN OFFICE AS INDEPENDENT NON- EXECUTIVE DIRECTOR

Resolution	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 10	355,935,281	99.9933	23,774	0.0067

Based on the poll result, the Chairman declared that Resolution 10 was carried as follows:

“THAT Tan Sri Dato’ Lau Yin Pin @Lau Yen Beng to continue to serve as Independent Non-Executive Director of the Company”.

18. CLOSURE OF MEETING

- 18.1 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 10.50 a.m. with a note of thanks to the Chair.

Confirmed as a correct record:

CHAIRMAN

SUMMARY OF QUESTIONS RAISED BY THE SHAREHOLDERS AND THE COMPANY'S RESPONSES AT THE 23RD ANNUAL GENERAL MEETING HELD ON 19 NOVEMBER 2020

Question 1

In relation to the plantation in Kalimantan, how much is the oil palm that has been planted and what is the age profile?

Answer 1

Planted hectareage is about 9,600 hectares and of that 7,600 hectares is mature and the remaining hectareage is in various years of immaturity.

Question 2

Despite improving CPO prices in 2020 vs 2019, the plantation division reported much lower revenue in financial period ended 30 June 2020. Please provide reason for the poor performance.

Answer 2

The company noted that the CPO prices have improved in 2020, started in the middle of the year. However, the company's year end is June 2020 and the bulk of 2019 experienced low palm oil price that was seen in 2018. The plantation players were also having a difficult time. The management on the ground had done their level best but there were some mis-steps in the process. The company had since reviewed the situation and carried out major restructuring on the division, changed the management of the ground, put in a new team and undertaken a lot of cost cutting measures. Started to see plantation is back into positive EBITDA. The turn-around plan is approximately 10 to 12 months and so far, it is on track and the management is positive on the situation.

Question 3

In relation with EKVE, the toll collection will be over of period 50 years and the highway will be ready in mid-2021. When will be the official commencement date for the 50 years toll collection?

Answer 3

The 50 years started from the day of construction in 2016. As of now, the company has another 46 years of the remaining concession period. The highway is slated for completion by third quarter of 2021 and expecting to collect toll by end of 2021.

Question 4

When will AZRB make a turnaround?

Answer 4

Operationally, after being prudent in this financial year, the company is looking at positive numbers for the coming year. Not sure what is the future hold for the industries and business environment but hoping to do the best in the next 12 months.

The Covid-19 has a pronounced effect on the performance of the company. The MCO effectively shut down the operation in construction, which is the largest contributor to the Group. Whilst, there was no income, there is still expenses to pay. Although, the MCO was lifted in May 2020 for construction companies, but the company does not work in isolation. It works in a value chain which took much longer, another 2 months to gear up. The company was not able to actually realise back to the volume cycle until much later.

Even in oil & gas sector, whilst there was increase in activities, it was not to the extent that the group hopes for, partially, because of Covid-19 and the effects of the uncertainties that affected the oil & gas industry.

Question 5

What are the major projects that AZRB bidded this year and the chances of winning?

Answer 5

The company participated in major infrastructure highways, road works and major building works tenders for approximately RM2.5 billion. The company is hopeful that it has put in competitive bids and should be able to get some of the tenders.

Question 6

Has the EKVE toll rates been determined and if not, will AZRB be required to obtain approval before commencing toll collection?

Answer 6

The toll rate has been determined as per the Concession Agreement with the Government. AZRB shall stick to what was agreed with the Government.