

FAR EAST HOLDINGS BERHAD
[Company No: 197301001753 (14809-W)]
(Incorporated in Malaysia)

**MINUTES OF 46TH ANNUAL GENERAL MEETING HELD AT SILK ROOM LEVEL
3, ZENITH HOTEL, JALAN PUTRA SQUARE 6, 25200 KUANTAN PAHANG
DARUL MAKMUR ON WEDNESDAY, 15 JULY 2020 AT 10.00 A.M.**

DIRECTORS PRESENT

YH Dato' Sri Kamaruddin bin Mohammed - In the Chair
Non Independent, Executive Director/ Group Executive Chairman

YH Dato' Suhaimi bin Mohd Yunus
Non-Independent, Non-Executive Director

YH Dato' Jamaluddin bin Abd Majid
Non-Independent, Non-Executive Director

YH Datuk Mohd Afrizan bin Husain
Independent, Non-Executive Director

Mr Tee Kim Tee @ Tee Ching Tee
Non-Independent, Non-Executive Director

Mr Tee Cheng Hua
Non-Independent, Senior Executive Director, Plantations & Milling

Mr Tee Lip Teng
Non-Independent, Non-Executive Director

En Nik Mohamed Zaki bin Nik Yusoff
Senior Independent, Non-Executive Director

MEMBERS AND PROXIES

As per attendance list

BY INVITATION

As per attendance list

IN ATTENDANCE

YH Dato' Asmin binti Yahya - Chief Operating Officer/Secretary
Puan Noor Anisah binti Sabarudin - Secretary

The meeting complied with the General Implementation Standard Operating Procedures issued by National Security Council (MKN) and social distancing was observed during the meeting. Cik Tengku Nadiatul Hanim binti Tengku Mohamad Nasser briefed the audience on the security matters in case of an emergency as well as precautions to be adhered on COVID-19.

1. CHAIRMAN OF THE MEETING

1.1 YH Dato' Sri Kamaruddin bin Mohammed took the Chair and declared the meeting opened.

2. CHAIRMAN'S OPENING REMARKS

2.1 The Chairman welcomed the Shareholders to the 46th Annual General Meeting and proceeded to introduce the members of the Board.

3. QUOROM

3.1 The Secretary confirmed that there was sufficient quorum in accordance with Clause 57 of the Company's Constitution. Thirty four (39) shareholders and twenty five (25) proxies for 538,138,100 shares were present which represents 91% of the total shareholders.

4. NOTICE OF MEETING

4.1 The Shareholders present agreed unanimously that the Notice convening the Meeting be taken as read.

5. MEETING PROCEEDINGS

5.1 The Chairman informed that pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Resolutions set out in the Notice of Meeting are to be decided by poll and a scrutineer has to be appointed for the verification of the votes to be casted.

- 5.2 The Company has appointed Messrs Boardroom Corporate Services Sdn. Bhd. as the independent scrutineer; represented by Miss Teo Lee Huat to validate the voting at the meeting. Messrs Boardroom Share Registrars Sdn. Bhd. represented by Encik Mohammad Helmi bin Nuri was appointed as the poll administrator to conduct the voting process.
- 5.3 The Chairman informed the shareholders that they are encouraged to participate and to ask questions and use their rights to vote. The voting process for all the Resolutions by way of polls will be conducted upon completion of deliberation of all resolutions transacted at the meeting.
- 5.4 The Chairman also welcomed the presence of Mr David Chuah Soo Huat from Messrs Moore Stephens Associates PLT (*FEHB's External Auditors*), Mr Yau Hun Ling (*FEHB's Tax Agent*) from Messrs PRT Tax Consultant Sdn. Bhd., Mr Han Kee Juan (*FEHB's Plantation Adviser*) from Budi JS Plantation Management Sdn. Bhd., Mr Thomas Chong Loong Choy from Messrs McMillan Wood Thomas (*FEHB's Subsidiaries Auditors*) and Madam Tan Ai Ling from CIMB Bank Berhad (*FEHB's Banker*).

6. AUDITED REPORT AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019 AND THE REPORTS OF THE DIRECTORS' AND AUDITORS' THEREON

- 6.1 The Chairman informed that as per Note A stated in the Notice of Annual General Meeting, this agenda is meant for discussion only as the provision of Section 340 (1) of the Companies Act, 2016 does not require a formal approval by the members and hence, is not put forward for voting.
- 6.2 The Chairman briefed the shareholders that despite the challenging business environment, the Group managed to record an overall commendable performance in FY2019. The Group's revenue for FY2019 has shown slight

increase by 0.34% to RM381.13 million compared to RM379.83 million registered in FY2018.

- 6.3 As at 31 December 2019, the total FFB production for the Group in reporting year was 298,849 metric tonne (“MT”) against 318,016MT in year 2018. Lower production during the year under review was due to exclusion of production figures from estates under Kampong Aur Oil Palm Company (Sdn.) Berhad (“KAOP”)’s Group effective 1 July 2018.
- 6.4 The Group recorded higher FFB yield of 19.19MT per hectare compared to average yield achieved in Pahang State and Peninsular Malaysia in 2019 which was 17.99MT per hectare and 17.95MT per hectare respectively. This is due to the improvement in overall estates FFB production in FY2019 as compared to FY2018, except for Delima Estate in Rompin, Pahang which was seriously affected by flood during monsoon season.
- 6.5 Since the commencement of MCO (Movement Control Order), FEHB’s estates’ operation and production of Fresh Fruit Bunches (“FFB”) had not been adversely affected. Critical activities such as harvesting, evacuation and transporting of FFBs to the mills was carried out throughout MCO.
- 6.6 FFB productions for FEHB Group were not significantly affected during MCO. However, the global COVID-19 pandemic may pose several risks to FEHB in terms of lower market demand and thus prices of Crude Palm Oil (“CPO”) and Palm Kernel (“PK”), health and wellbeing of our staff due to the risk exposure, and other risk as a result of the current uncertainties being felt globally. With the Government continuing keeping our borders closed, the immediate risk for FEHB Group would be the possible freezing of all inflows of foreign workers which would cause acute labour shortage in our Estate operations.

6.7 In view of this, the Group's performance for the financial year 2020, will continue to be challenging due to the COVID-19 pandemic, as well as rising operation costs, higher wages and labour shortages.

6.8 As there were no queries from the shareholders, the Chairman proceeded to the next Agenda.

**7. ORDINARY RESOLUTION 1
RE-ELECTION OF DIRECTOR IN ACCORDANCE TO CLAUSE 77 OF THE
COMPANY'S CONSTITUTION**

7.1 In accordance to Clause 77 of the Company's Constitution, Mr Tee Kim Tee @ Tee Ching Tee being eligible, offered himself for re-election.

7.2 As proposed by Mr Kelvin Tan Keh Feng and seconded by Madam Seetha a/p Bankkaree, the **Ordinary Resolution 1** was tabled to the meeting.

**8. ORDINARY RESOLUTION 2
RE-ELECTION OF DIRECTOR IN ACCORDANCE TO CLAUSE 77 OF THE
COMPANY'S CONSTITUTION**

8.1 In accordance to Clause 77 of the Company's Constitution, Mr Tee Cheng Hua being eligible, offered himself for re-election.

8.2 As proposed by Miss Jennifer Lam Mun Sum and seconded by Madam Seetha a/p Bankkaree, the **Ordinary Resolution 2** was tabled to the meeting.

The Chairman informed that YH Dato' Jamaluddin bin Abd Majid retired by rotation in accordance with Clause 77 of the Company's Constitution and did not offer himself for re-election. On behalf of the Board of Directors and management, the Chairman thanked YH Dato' Jamaluddin bin Abd Majid for his contribution during his tenure as Director of FEHB.

**9. ORDINARY RESOLUTION 3
RE-ELECTION OF DIRECTOR IN ACCORDANCE TO CLAUSE 76 OF THE
COMPANY'S CONSTITUTION**

9.1 In accordance to Clause 76 of the Company's Constitution, YH Dato' Suhaimi bin Mohd Yunus being eligible, offered himself for re-election.

9.2 As proposed by Encik Nazaruddin bin Hasim and seconded by YH Dato' Sri Tee Lip Sin, the **Ordinary Resolution 3** was tabled to the meeting.

**10. ORDINARY RESOLUTION 4
TO APPROVE THE PAYMENT OF DIRECTORS' FEES**

10.1 The shareholders took note that the Directors' Fee for 2019 was RM648,090. As proposed by Puan Rosliha binti Husin and seconded by Mr Kelvin Tan Keh Feng, the **Ordinary Resolution 4** was tabled to the meeting.

**11. ORDINARY RESOLUTION 5
TO APPROVE THE PAYMENT OF DIRECTORS' BENEFITS (OTHER
THAN DIRECTORS' FEE)**

11.1 The shareholders took note that the Directors' Benefit of up to RM1,025,900 (other than Directors' fee) for the period from the 46th Annual General Meeting until the next 47th Annual General Meeting had been tabled. As proposed by Mr Han Kee Juan and seconded by Mr Kelvin Tan Keh Feng, the **Ordinary Resolution 5** was tabled to the meeting.

**12. ORDINARY RESOLUTION 6
RE-APPOINTMENT OF MESSRS MOORE STEPHENS ASSOCIATES PLT
AS AUDITORS**

12.1 As proposed by Encik Nazaruddin bin Hasim and seconded by Puan Rosliha binti Husin, the **Ordinary Resolution 6** was tabled to the meeting.

13. ORDINARY RESOLUTION 7

RENEWAL OF SHAREHOLDERS' MANDATE IN RESPECT OF RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE NATURE AND NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS ("Shareholders' Mandate")

RESOLUTION MADE AS A SPECIAL BUSINESS AND ADOPTED AS ORDINARY RESOLUTION

13.1 As proposed by Puan Noor Anisah binti Sabarudin and seconded by Encik Yusri bin Bidin, the **Ordinary Resolution 7** was tabled to the meeting.

13.2 Prosper Trading Sdn. Bhd. and Perbadanan Kemajuan Pertanian Negeri Pahang were major shareholders of FEHB and are deemed interested parties in the Proposed Renewal of Shareholders' Mandate and therefore abstained from voting.

13.3 YH Dato' Sri Kamaruddin bin Mohammed, YH Dato' Jamaluddin bin Abd Majid, Mr Tee Kim Tee @ Tee Ching Tee, Mr Tee Cheng Hua and Mr Tee Lip Teng being interested directors and YH Dato' Asmin binti Yahya as person connected to the Proposed Shareholders' Mandate had abstained from voting.

14. ANY OTHER BUSINESS

14.1 There being no other business of which due notice had been given in accordance with the Companies Act 2016.

At this juncture, the shareholders and proxies were requested to deposit the voting papers into the Ballot Box which was carried by the Poll Administrator.

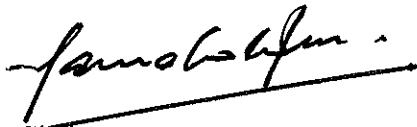
15. POLLING RESULTS

15.1 The Chairman informed the floor that the results of the poll were validated by Miss Teo Lee Huat, the independent scrutineer appointed by the Company. The polling results are as per attachment.

15.2 Based on the polling results, all the Resolutions were duly passed by the Shareholders.

The meeting concluded at 11.30 a.m. with a vote of thanks to the Chair.

Confirmed as correct,



Chairman

FAR EAST HOLDINGS BERHAD

Date: 15 July 2020