

FAJARBARU BUILDER GROUP BHD (281645-U)
(Incorporated in Malaysia)

Minutes of Twenty Third Annual General Meeting of the Company held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Thursday, 30 November 2017 at 10.00 a.m.

Directors Present : Dato' Ir. Low Keng Kok - Chairman
Dato' Sri Kuan Khian Leng
Mr. Ooi Leng Chooi
Dato' Ismail bin Haji Omar
Mr. Foong Kuan Ming
Mr. Wong Chee Heng

Members/Proxies Present : (As Per Attendance List)

In Attendance : Mr. Tan Kok Aun - Company Secretary

1. **NOTICE OF MEETING**

The notice convening the meeting, having been circulated, was taken as read.

2. **QUORUM**

The requisite quorum being present, the Chairman declared the meeting duly convened.

3. **POLL**

The Chairman informed the meeting that pursuant to paragraph 8.29A of the Main Market Listing Requirements, all resolutions to be passed at the shareholders' meeting shall be by way of poll voting and he briefed the meeting on the polling procedures.

Tricor Investor & Issuing House Services Sdn. Bhd. and Corporate Street Sdn. Bhd. were appointed as Poll Administrator and Independent Scrutineer respectively for this meeting.

After discussion on all resolutions, the meeting was adjourned at 11.10 a.m. for votes counting and verification, and resumed at 11.50 a.m. The Chairman then announced the duly verified poll results as stated in the respective resolutions and declared the results for each resolution accordingly.

3. **AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017**

The Chairman informed the meeting that this agenda was meant for discussion only as the provision of Section 340 (1) (a) of the Companies Act, 2016 does not require a formal approval of the shareholders, and hence would not put forward for voting.

The Chairman invited the meeting for discussion on the Audited Financial Statements for the year ended 30 June 2017. The following questions were raised and responded accordingly by the Chairman and the Financial Controller, Mr. Tan Ting Lih:

FAJARBARU BUILDER GROUP BHD (281645-U)
- TWENTY THIRD ANNUAL GENERAL MEETING (30/11/2017)

Question	Response
<p><i>Mr. Ho Yueh Weng</i></p> <p><i>i. The property and logging sectors have contributed significantly to the revenue of the Group, but construction being the main business activity of the Group was not generating profit.</i></p> <p><i>a. What is the Group's approach in obtaining contract on construction sector and in reducing cost?</i></p> <p><i>b. What is the company's margin on contract?</i></p> <p><i>ii. What is the remaining concession period for logging and where is the timber extraction and any replanting?</i></p> <p><i>iii. What was the nature of the loss on derivatives financial instruments of RM1.6 million stated on page 120 of the Annual Report and did the Group hedge the foreign exchange?</i></p> <p><i>iv. Any other income deriving from Australia project?</i></p> <p><i>v. Besides the railway track machinery of RM50.0 million, is there any expected capex for the next financial year?</i></p>	<p><i>i. a. It was a challenging year for construction sector and the Group construction jobs mainly come from the government. The Group will continue to submit for government jobs, although payment may be slow, but collection is secured. Also there are variation orders when there are variation in contract works that may help in the profitability of the projects.</i></p> <p><i>To reduce cost, the management will monitor material costs and control operation costs.</i></p> <p><i>b. The Group will not tender for projects without margin and the margin will depend on market competition.</i></p> <p><i>ii. The concession is in Pahang and with 6 to 7 years left. The Group will continuously apply for new concession licence. The Group is not involved in the replanting.</i></p> <p><i>iii. The loss on derivatives financial instruments was due to loss in foreign currency exchange. The Group hedged about 70% to 80% of the foreign exchange transactions.</i></p> <p><i>iv. The first development project known as "Gardenhill" was completed and revenue was recognised in the financial year. The second development project known as "Paragon" was just started, and expected to bring income in the financial year 2020.</i></p> <p><i>v. Not expected to have any major capex expenditure in the next financial year.</i></p>

FAJARBARU BUILDER GROUP BHD (281645-U)
- TWENTY THIRD ANNUAL GENERAL MEETING (30/11/2017)

Question	Response
<p><i>Mr. Lau Kok Chin</i></p> <p>i. <i>Whether the Company participated in bidding for Gemas-JB double track rail project?</i></p> <p>ii. <i>The Company has invested some money on trackwork machineries, when is the Company expecting income from the rail project?</i></p> <p>iii. <i>Any dividend policy and payout ratio?</i></p>	<p>i. The Company is at advance stage of discussion and not able to disclose any further details at this moment.</p> <p>ii. There are very few companies in Malaysia with special equipment for rail project and the investment in these machineries is an advantage to the Group for job bidding. Besides, the Group has resources and experience to undertake rail projects.</p> <p>The Group is expected to generate income from the rehabilitation of railway track project between Jerantut and Gua Musang in the next 2 years.</p> <p>iii. The Company has no dividend policy at this time. When the income is stable and maintain for few years, then the Group may develop a dividend policy. The Company has declared 1.5 sen interim dividend recently.</p>
<p><i>Mr. Ng Kok Kiong</i></p> <p><i>What is the outlook for Australia project?</i></p>	<p>The respond from the “Gardenhill” project was good and anticipated the same for the new development project “Paragon”.</p>

4. **RE-APPOINTMENT OF DIRECTOR**

Resolution 1

The resolution on “To re-appoint Dato’ Ismail Bin Haji Omar, who retires at the conclusion of Twenty-Third Annual General Meeting of the Company, as Director of the Company” was proposed by Mr. Kang Seok Chun and seconded by En. Zakaria Bin Abdul Kader.

Poll result for Resolution 1:

Vote For		Vote Against	
Unit No.	Percentage	Unit No.	Percentage
111,251,735	99.999011	1,100	0.000989

The Chairman declared Resolution 1 carried.

FAJARBARU BUILDER GROUP BHD (281645-U)
- TWENTY THIRD ANNUAL GENERAL MEETING (30/11/2017)

5. RE-ELECTION OF DIRECTORS

Resolution 2

The resolution on “To re-elect Mr. Wong Chee Heng who retires in accordance with Article 87 of the Company’s Articles of Association.” was proposed by Ms. Kua Yee Liang and seconded by En. Zakaria Bin Abdul Kader.

Poll result for Resolution 2:

Vote For		Vote Against	
Unit No.	Percentage	Unit No.	Percentage
109,952,735	100.00000	0	0.00000

The Chairman declared Resolution 2 carried.

Resolution 3

The resolution on “To re-elect Mr. Kuan Khian Leng who retires in accordance with Article 94 of the Company’s Articles of Association.” was proposed by Mr. Lim Kim Chair and seconded by Ms. Teo Sow Ni.

Poll result for Resolution 3:

Vote For		Vote Against	
Unit No.	Percentage	Unit No.	Percentage
109,952,835	100.00000	0	0.00000

The Chairman declared Resolution 3 carried.

6. PAYMENT OF DIRECTORS’ FEES

Resolution 4

The resolution on “To approve the payment of Directors’ fees of RM276,000 for the year ended 30 June 2017.” was proposed by Ms. Kerk Wai See and seconded by Pn. Mardiah Bt Abdullah.

Poll result for Resolution 4:

Vote For		Vote Against	
Unit No.	Percentage	Unit No.	Percentage
111,252,735	100.00000	0	0.00000

The Chairman declared Resolution 4 carried.

7. APPOINTMENT OF AUDITORS

Resolution 5

The resolution on “To re-appoint Auditors to hold office for the ensuing year and to authorise the Directors to fix their remuneration.” was proposed by Pn. Anisah Binti Abu Samah and seconded by Mr. Pua Kok Seng.

Poll result for Resolution 5:

FAJARBARU BUILDER GROUP BHD (281645-U)
- TWENTY THIRD ANNUAL GENERAL MEETING (30/11/2017)

Vote For		Vote Against	
Unit No.	Percentage	Unit No.	Percentage
111,252,735	100.000	0	0.000

The Chairman declared Resolution 5 carried.

SPECIAL BUSINESS

8. ORDINARY RESOLUTION 1 AND 2 - CONTINUATION IN OFFICE AS INDEPENDENT DIRECTOR

Resolution 6

The following question was raised and responded by the Secretary:

Question	Response
<i>Mr. Ng Kok Kiong Why the other two Independent Directors namely Dato' Ir. Low Keng Kok and Dato' Ismail Bin Haji Omar, were not subject to shareholders' approval to continue in office as independent director?</i>	Dato' Ir. Low and Dato' Ismail were re-designated as independent directors of the Company on 31 May 2016 and 24 August 2011 respectively, therefore, they are not subject to shareholders' approval to continue office as independent directors.

The resolution on "THAT approval be and is hereby given to Mr. Foong Kuan Ming, who has served as an Independent Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Director." was proposed by Ms. Kua Yee Liang and seconded by Pn. Anisah Binti Abu Samah.

Poll result for Resolution 6:

Vote For		Vote Against	
Unit No.	Percentage	Unit No.	Percentage
109,952,733	99.999998	2	0.000002

The Chairman declared Resolution 6 carried.

Resolution 7

The resolution on "THAT approval be and is hereby given to Mr. Wong Chee Heng, who has served as an Independent Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Director." was proposed by Mr. Lim Kim Teng and seconded by Mr. Eugene Ng.

Poll result for Resolution 7:

Vote For		Vote Against	
Unit No.	Percentage	Unit No.	Percentage
109,952,833	99.999998	2	0.000002

The Chairman declared Resolution 7 carried.

9. ORDINARY RESOLUTION 3 - AUTHORITY TO ISSUE SHARES

Resolution 8

The following question was raised and responded by the Chairman:

Question	Response
<i>Mr. Ho Yueh Weng</i> <i>Is there any intention to issue new shares?</i>	Will consider if there is a funding requirement.

The resolution on “THAT pursuant to Section 75 of the Companies Act, 2016, the Directors be and are hereby authorised to issue and allot shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum of the total number of issued share capital of the Company for the time being, subject always to the approval of all the relevant regulatory bodies being obtained for such allotment and issue.” was proposed by Pn. Mardhiah Bt Abdullah and seconded by Mr. Lee Yee Ming.

Poll result for Resolution 8:

Vote For		Vote Against	
Unit No.	Percentage	Unit No.	Percentage
111,249,103	99.996735	3,632	0.003265

The Chairman declared Resolution 8 carried.

10. ORDINARY RESOLUTION 4 - PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

Resolution 9

The following question was raised and responded accordingly by the Chairman:

Question	Response
<i>Mr. Ho Yueh Weng</i> <i>Has there any share buy-back during the year and any plan for share buy-back?</i>	A total of 5,000 shares were bought from open market during the financial year at weighted average price of RM0.57 per share. The decision on share buy-back share is depending on the market condition, share price and the availability of funds.

FAJARBARU BUILDER GROUP BHD (281645-U)
- TWENTY THIRD ANNUAL GENERAL MEETING (30/11/2017)

The resolution on “THAT subject to the Companies Act, 2016, the provisions of the Company's Memorandum and Articles of Association, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and all other prevailing laws, rules, regulations and orders issued and/or amended from time to time by the relevant authorities, the Company be and is hereby authorised to allocate an amount not exceeding the retained profits of the Company for the purpose of and to purchase such amount of ordinary shares (“Proposed Share Buy-back”) in the Company as may be determined by the Directors of the Company from time to time on the market of the Bursa Securities upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that the aggregate number of shares purchased pursuant to this resolution does not exceed ten percent (10%) of the total issued and paid-up share capital of the Company AND THAT upon completion of the purchase by the Company of its own shares, the Directors are authorised to decide at their discretion to cancel all or part the shares so purchased and/or to retain all or part the shares so purchased as treasury shares of which may be distributed as dividends to shareholders and/or to resell on the market of Bursa Securities and/or to retain part thereof as treasury shares and cancel the remainder; AND THAT the Directors be and are hereby authorised and empowered to do all acts and things to give full effect to the Proposed Share Buy-back AND FURTHER THAT such authority shall commence immediately upon passing of this resolution until:

- i) the conclusion of the next Annual General Meeting of the Company at which time the authority shall lapse unless by ordinary resolution passed at a general meeting, the authority is renewed either unconditionally or subject to conditions; or
- ii) the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or
- iii) revoke or varied by ordinary resolution of the shareholders of the Company at a general meeting whichever is the earliest.”

was proposed by Mr. Bryan Shane Jinius and seconded by Mr. Hoon Wai Loh.

Poll result for Resolution 9:

Vote For		Vote Against	
Unit No.	Percentage	Unit No.	Percentage
111,247,103	99.994848	5,732	0.005152

The Chairman declared Resolution 9 carried.

11. **ORDINARY RESOLUTION 5 - PROPOSED ALLOCATION OF OPTIONS TO MR. KUAN KHIAN LENG**

Resolution 10

The Chairman informed the meeting that Dato’ Sri Kuan Khian Leng has abstained from Board deliberation and voting pertaining to the Proposed Allocation of Options and he will abstain from voting in respect of his direct and/or indirect shareholdings in the Company on the Proposed Allocation of Options at this meeting. Dato’ Sri Kuan undertakes to ensure that person/corporation connected to him, namely Tan Sri Dato’ Sri Ir Kuan Peng Ching @ Kuan Peng Soon and Unique Bay Sdn Bhd, will abstain from voting on the Proposed Allocation of Options at the said meeting.

FAJARBARU BUILDER GROUP BHD (281645-U)
- TWENTY THIRD ANNUAL GENERAL MEETING (30/11/2017)

The resolution on “THAT subject to the approvals of all relevant authorities, if applicable, the Board of Directors of the Company be and is hereby authorised at any time and from time to time to offer and to grant to Mr. Kuan Khian Leng, Executive Director of the Company, options to subscribe for up to the maximum entitlement of new ordinary shares in the Company, provided that not more than fifty percent (50%) of the Company’s new shares available under the Scheme should be allocated in aggregate to the Directors and senior management of the Group, and that not more than ten percent (10%) of the new Shares available under the Scheme should be allocated to any individual director or employee, who either singly or collectively through persons connected with the Director or employee, holds twenty percent (20%) or more of the issued and paid-up capital of the Company (excluding treasury shares), and also subject always to other terms and conditions and/or any adjustment that may be made in accordance with the provisions of the By-Laws of the Scheme.” was proposed by Mr. Eugene Ng and seconded by Mr. Lee Yee Ming.

Poll result for Resolution 10:

Vote For		Vote Against	
Unit No.	Percentage	Unit No.	Percentage
78,622,803	99.995381	3,632	0.004619

The Chairman declared Resolution 10 carried.

12. **TERMINATION**

There being no other business, the Meeting terminated at 11.55 a.m. with a vote of thanks to the Chair.

Confirmed,



CHAIRMAN

TKA/sym/S/315
