

**SYF RESOURCES BERHAD**  
(Registration No. 199501035170 (364372-H))  
(Incorporated in Malaysia)

**MINUTES OF THE TWENTY-FOURTH (24TH) ANNUAL GENERAL MEETING OF SYF RESOURCES BERHAD (“SYF” OR “THE COMPANY”) HELD AT EMERALD 1 ROOM, RHR HOTEL @ KAJANG, WISMA MKH, JALAN SEMENYIH, 43000 KAJANG, SELANGOR ON WEDNESDAY, 8 JANUARY 2020 AT 10.00 A.M.**

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Present : As per attendance list

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**1. CHAIRMAN**

With the concurrence of the Executive Chairman, Dato’ Sri Chee Hong Leong, JP (“the Chairman”) chaired the meeting and welcomed the members to the Twenty-Fourth (24th) Annual General Meeting (“AGM”) of the Company. The Chairman conveyed that Dato’ Wong Gian Kui sent his apologies for not being able to attend the 24<sup>th</sup> AGM as he was not feeling well.

There being a quorum present, the Chairman declared the meeting duly convened at 10.00 a.m.

**2. NOTICE**

With the consent of the meeting, the Notice convening the meeting having been circulated within the prescribed period was taken as read.

**3. PRELIMINARY**

Before proceeding with the agendas of the meeting, the Chairman explained to the meeting on how a resolution is determined. He informed that pursuant to Para 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company must ensure that any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll. At the same time, the Company must appoint at least one (1) scrutineer to validate the votes cast at the general meeting. Such scrutineer must not be an officer of the Company or its related corporation, and must be independent of the person undertaking the polling process.

The Chairman further informed the meeting that Tricor Investor & Issuing House Services Sdn. Bhd. has been appointed as Poll Administrator to conduct the polling process by way of electronic voting (“e-voting”) and Asia Securities Sdn. Bhd. (“Scrutineers”) was appointed as Scrutineers to verify the poll results.

The Chairman informed that the poll will be conducted upon completion of the deliberation of all the ordinary resolutions to be transacted at the AGM.

**4. AUDITED FINANCIAL STATEMENTS AND REPORTS**

The Audited Financial Statements of the Company and of the Group for the financial year ended 31 July 2019 (“FYE 2019”) together with the Reports of the Directors and Auditors thereon (“Audited Financial Statements”) were tabled to the shareholders for discussion.

The Chairman informed that the Audited Financial Statements of the Company was meant for discussion only as Section 340(1) of the Companies Act, 2016 provides that the Audited Financial Statements are to be laid in the general meeting and does not require a formal approval of the shareholders. Hence, it is not put forward for voting. However, the Company is pleased to deal with any questions from shareholders relating to the Audited Financial Statements.

The Chairman informed the Meeting that the Company has received a letter from the Minority Shareholders Watch Group (“MSWG”) dated 2 January 2020. He thereafter read out the questions listed in the MSWG’s letter and the Company’s responses which were displayed on the screen during the meeting.

A shareholder, En Ahmad Ibrahim (“En Ibrahim”) commented that for FYE 2019 the loss after tax for the Group has increased to RM44 million compared to RM14 million in financial year ended 31 July 2018 (“FYE 2018”). He further commented that the Company should consider giving dividends to the shareholders based on the RM800 million revenue generated by the Group for FYE 2019. He also said that the Board should be aware of Practice 1.3 and Practice 7.1 of the Malaysian Code on Corporate Governance and it should have been complied with. He also requested for the Company to prepare a brief presentation on the Company’s business overview for the shareholders at all upcoming AGMs.

The Chairman replied that the RM800 million revenue was actually total gross development value (“GDV”) from all development projects completed under the Group’s property development segment from day 1 until FYE 2019. It was not a profit. As the Group had downsized the furniture segment, it had affected the Group’s profit. The Board will consider declaring dividends once the Group achieved better performance. As for Practice 1.3, whereby the positions of Chairman and CEO are not held by different individuals was due to a cost saving decision as appointing an Independent Non-Executive Chairman would require the Company to pay more directors’ fees. The Board was considering the segregation of the two positions. As for Practice 7.1, the Company noted the requirements under the Main Market Listing Requirements and will further enhance the disclosure for future compliance on this Practice 7.1.

A corporate representative from MSWG, Ms Lim Cian Yai (“Ms Lim”) conveyed her thanks for replying their queries. Further to the Company’s response to the MSWG’s query on Practice 1.3, she asked the Board to consider appointing an Independent Non-Executive Chairman from the current Board if the cost of directors’ fees was the Company’s concern. She also asked if there would be impairment on inventories in the current financial year due to the downsizing of the furniture segment and updates on the property segment after acquiring Giat Armada Sdn Bhd.

The Chairman replied that the Board was still considering separating the two positions before the next Annual Report 2020. Impairment on the inventories may happen in the current and any impairment made would be explained in the financial report. The Chairman said that as the policy to hire foreign labours were not stable and it had affected the Group in terms of increase of labour cost, the Company decided to downsize the furniture segment. As for the property segment, after surveying the land held by Giat Armada Sdn Bhd and the whole Semenyih area, there were challenges to launch the project immediately. The Company is looking into other options like joint venture in the meantime which can be launched immediately to bridge the gaps for the property development segment to continue contributing revenue and profit to the Group and generate additional income to supplement the rubberwood furniture business.

5. **ORDINARY RESOLUTION 1**

**TO APPROVE THE PAYMENT OF DIRECTORS' FEES TO THE NON-EXECUTIVE DIRECTORS UP TO RM114,000 FOR THE FINANCIAL YEAR ENDED 31 JULY 2019**

The Chairman informed the shareholders that the next item in the agenda was to approve the payment of Directors' fees of up to RM114,000 to the directors of the Company for the FYE 2019.

En Ibrahim asked the Board to explain the increase of directors' fees from the previous financial year, if there is.

The Chairman explained that there was no increase of directors' fees from the last financial year. The amount of RM114,000 was the same amount paid for the previous FYE 2018.

Ms Lim asked for the reason the Company gave bonuses to the Executive Directors when the Company was making a loss for FYE 2019.

The Chairman replied that the bonuses paid was for the performance of the Group in FYE 2018 and was recorded in the FYE 2019 reports accordingly. There would not be bonuses paid to the Executive Directors for this financial year ending 31 July 2020.

With no further question asked, the following resolution was put to the meeting for voting by way of poll :-

*"THAT the payment of Directors' fees of up to RM114,000 to the directors of the Company for the financial year ended 31 July 2019 be hereby approved".*

Upon completion of the Polling process, the Chairman announced that the poll results of the Ordinary Resolution 1 as follows:

| Vote For     |         | Vote Against |        | Result  |
|--------------|---------|--------------|--------|---------|
| No. of Units | %       | No. of Units | %      |         |
| 422,485,300  | 99.9996 | 1,900        | 0.0004 | Carried |

With majority of the shareholders/proxies voted in favour of the resolution, the above Ordinary Resolution 1 was declared carried.

6. **ORDINARY RESOLUTION 2**

**TO APPROVE THE PAYMENT OF DIRECTORS' BENEFITS TO THE NON-EXECUTIVE DIRECTORS OF THE COMPANY UP TO AN AMOUNT OF RM70,000 FROM 9 JANUARY 2020 UNTIL THE CONCLUSION OF THE NEXT AGM OF THE COMPANY**

The Chairman informed the shareholders that next item in the agenda was to approve the payment of Directors' Benefits to the Non-Executive Directors of the Company up to an amount of RM70,000 from 9 January 2020 until the conclusion of the next AGM of the Company.

As there was no question raised, the following resolution was put to the meeting for voting by way of poll :-

*“THAT the payment of Directors’ Benefits to the Non-Executive Directors of the Company up to an amount of RM70,000 from 9 January 2020 until the conclusion of the next AGM of the Company be approved”.*

Upon completion of the Polling process, the Chairman announced that the poll results of the Ordinary Resolution 2 as follows:

| Vote For     |         | Vote Against |        | Result  |
|--------------|---------|--------------|--------|---------|
| No. of Units | %       | No. of Units | %      |         |
| 422,485,300  | 99.9996 | 1,900        | 0.0004 | Carried |

With majority of the shareholders/proxies voted in favour of the resolution, the above Ordinary Resolution 2 was declared carried.

**7. ORDINARY RESOLUTION 3  
TO RE-ELECT DATUK MOHAMED ARSAD BIN SEHAN AS DIRECTOR WHO RETIRES BY ROTATION IN ACCORDANCE WITH THE CLAUSE 103(1) OF THE CONSTITUTION OF THE COMPANY**

The Chairman informed the shareholders that the next item in the agenda was to re-elect Datuk Mohamed Arsad Bin Sehan who retires by rotation in accordance with Clause 103(1) of the Company’s Constitution. Datuk Mohamed Arsad Bin Sehan, being eligible for re-election, had offered himself for re-election.

*“THAT Datuk Mohamed Arsad Bin Sehan who retires pursuant to Clause 103(1) of the Company’s Constitution, be hereby re-elected as a Director of the Company”.*

Upon completion of the Polling process, the Chairman announced the poll results for Ordinary Resolution 3 as follows:

| Vote For     |         | Vote Against |        | Result  |
|--------------|---------|--------------|--------|---------|
| No. of Units | %       | No. of Units | %      |         |
| 422,485,300  | 99.9996 | 1,900        | 0.0004 | Carried |

With majority of the shareholders/proxies voted in favour of the resolution, the above Ordinary Resolution 3 was declared carried.

**8. ORDINARY RESOLUTION 4  
TO RE-ELECT NG WEI PING AS DIRECTOR WHO RETIRES BY ROTATION IN ACCORDANCE WITH THE CLAUSE 103(1) OF THE CONSTITUTION OF THE COMPANY**

The Chairman informed the shareholders that the next item in the agenda was to re-elect Ng Wei Ping who retires in accordance with Clause 103(1) of the Company’s Constitution. Ng Wei Ping being eligible for re-election, had offered himself for re-election.

As there was no question raised, the following resolution was put to the meeting for voting by way of poll :-

*“THAT Ng Wei Ping who retires pursuant to Clause 103(1) of the Company’s Constitution, be hereby re-elected as a Director of the Company”.*

Upon completion of the Polling process, the Chairman announced the poll results for Ordinary Resolution 4 as follows:

| Vote For     |         | Vote Against |        | Result  |
|--------------|---------|--------------|--------|---------|
| No. of Units | %       | No. of Units | %      |         |
| 422,485,300  | 99.9996 | 1,900        | 0.0004 | Carried |

With majority of the shareholders/proxies voted in favour of the resolution, the above Ordinary Resolution 4 was declared carried.

**9. ORDINARY RESOLUTION 5  
TO RE-APPOINT MESSRS UHY AS AUDITORS OF THE COMPANY FOR ENSUING YEAR AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

The Chairman informed that the next item in the Agenda was to re-appoint Messrs. UHY as the Company’s auditors and to authorise the Directors to fix their remuneration. The meeting was informed that Messrs. UHY had expressed their willingness to accept the re-appointment as the Company’s auditors for the ensuing year.

As there was no question raised, the following resolution was put to the meeting for voting by way of poll :-

*“THAT Messrs. UHY be and is hereby re-appointed as auditors of the Company at a remuneration to be determined by the Directors”.*

Upon completion of the Polling process, the Chairman announced the poll results for Ordinary Resolution 5 as follows:

| Vote For     |         | Vote Against |        | Result  |
|--------------|---------|--------------|--------|---------|
| No. of Units | %       | No. of Units | %      |         |
| 422,485,300  | 99.9996 | 1,900        | 0.0004 | Carried |

With majority of the shareholders/proxies voted in favour of the resolution, the above Ordinary Resolution 5 was declared carried by the Chairman.

**10. SPECIAL BUSINESS – ORDINARY RESOLUTION 6  
AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016**

The Chairman informed that the next resolution was to seek shareholders’ approval for the Authority to Allot Shares pursuant to Sections 75 & 76 of the Companies Act, 2016.

The following Ordinary Resolution 6 was put to the Meeting for voting by poll:

*“THAT subject always to the Companies Act, 2016 (“the Act”), the Constitution of the Company and approvals from Bursa Malaysia Securities Berhad (“Bursa Securities”) and any other governmental/regulatory authorities, the Directors of the Company be and are hereby empowered, pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion deem fit (“General Mandate”), provided always that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being; AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities; AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next AGM of the Company.”*

Upon completion of the Polling process, the Chairman announced the poll results for Ordinary Resolution 6 as follow:

| Vote For     |     | Vote Against |   | Result  |
|--------------|-----|--------------|---|---------|
| No. of Units | %   | No. of Units | % |         |
| 422,487,200  | 100 | 0            | 0 | Carried |

As the shareholders/ proxies unanimously voted in favour of the resolution, the above Ordinary Resolution 6 was declared carried.

**11. SPECIAL BUSINESS – ORDINARY RESOLUTION 7  
PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“PROPOSED RENEWAL OF RRPT MANDATE”)**

The Chairman informed that the next resolution was to seek shareholders’ approval for the Proposed Renewal of RRPT Mandate as set out in the Circular to Shareholders dated 29 November 2019.

The following Ordinary Resolution 7 was put to the Meeting for voting by poll:

*“THAT pursuant to Paragraph 10.09 of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), the Company and its subsidiaries (“the Group”) be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as set out in the Statement/Circular to Shareholders dated 29 November 2019, provided that such transactions and/or arrangements are:-*

- (a) necessary for the day-to-day operations;*
- (b) are undertaken in the ordinary course of business at arm’s length basis and are on normal commercial terms which are not more favourable to the Related Party than those generally available to the public; and*
- (c) are not detrimental to the minority shareholders of the Company.*

*AND THAT such approval, shall continue to be in force until:*

- (a) the conclusion of the next AGM of the Company, at which time it will lapse, unless by a resolution passed at such AGM, the authority is renewed; or
- (b) the expiration of the period within the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of Companies Act, 2016 (“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 ordinary resolution passed by the shareholders of the Company in general meeting, whichever is earlier;

AND THAT the estimated aggregate value of the transactions conducted pursuant to the Proposed Renewal of RRPT Mandate during a financial year will be disclosed, in accordance with the Listing Requirements, in the Annual Report of the Company for the said financial year;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of RRPT Mandate.”

Upon completion of the Polling process, the Chairman announced the poll results for Ordinary Resolution 7 as follow:

| Vote For     |     | Vote Against |   | Result  |
|--------------|-----|--------------|---|---------|
| No. of Units | %   | No. of Units | % |         |
| 92,170,200   | 100 | 0            | 0 | Carried |

As the shareholders/ proxies unanimously voted in favour of the resolution, the above Ordinary Resolution 7 was declared carried.

**12. SPECIAL BUSINESS – ORDINARY RESOLUTION 8**  
**PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES**  
**(“PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY”)**

The Chairman informed that the next resolution was to seek shareholders’ approval for the Proposed Renewal of Share Buy-Back Authority as set out in the Circular to Shareholders dated 29 November 2019.

The following Ordinary Resolution 8 was put to the Meeting for voting by poll:

“THAT, subject to the Companies Act, 2016 (“the Act”), the provisions of the Constitution of the Company, the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-

- (i) the aggregate number of shares purchased or held as treasury shares does not exceed 10% of the total number of issued and paid-up shares of the Company as quoted on Bursa Securities as at the point of purchase;
- (ii) the maximum fund to be allocated by the Company for the purpose of purchasing the shares be backed by an equivalent amount of retained profits; and

- (iii) the Directors of the Company may decide either to retain the shares purchased as treasury shares, or cancel the shares, or retain part of the shares so purchased as treasury shares and cancel the remainder, or resell the shares, or transfer the shares or distribute the shares as dividends;

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

- (i) the conclusion of the next AGM at which time it shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next 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 a general meeting;

whichever occurs first.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement or to effect the purchase(s) of the shares with full power to assent to any condition, modification, variation and/or amendment as may be imposed by the relevant authorities and to take all such steps as they may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto.”

Upon completion of the Polling process, the Chairman announced the poll results for Ordinary Resolution 8 as follow:

| Vote For     |     | Vote Against |   | Result  |
|--------------|-----|--------------|---|---------|
| No. of Units | %   | No. of Units | % |         |
| 422,487,200  | 100 | 0            | 0 | Carried |

As the shareholders/ proxies unanimously voted in favour of the resolution, the above Ordinary Resolution 8 was declared carried.

### 13. TERMINATION

There being no other business, the meeting ended at 11.03 a.m. with a vote of thanks to the Chairman.

**Confirmed as a correct record of  
the proceedings thereat**

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Chairman