

**ASDION BERHAD**  
(Registration No. 200201023149 (590812-D))  
(Incorporated in Malaysia)

**MINUTES OF THE TWENTIETH (“20TH”) ANNUAL GENERAL MEETING OF  
THE COMPANY HELD AT FUNCTION ROOMS, LEVEL M3, VE HOTEL &  
RESIDENCE, BANGSAR SOUTH CITY, NO. 8, JALAN KERINCHI 59200 KUALA  
LUMPUR ON THURSDAY, 16 MARCH 2023 AT 11.00 A.M**

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**ATTENDANCE OF DIRECTORS**

Encik Abdul Latib Bin Tokimin	- Independent Non-Executive Chairman
Razmi bin Alias	- Executive Director
Dato’ Badrul Sham Bin Ibrahim	- Independent Non-Executive Director

**IN ATTENDANCE**

Shareholders, Proxies and Corporate Representative  
As per Attendance List

Ms. Lim Li Heong - Representing the Company Secretary

**BY INVITATION**

Mr. Chen Voon Hann	- Messrs. CAS Malaysia PLT
Ms. Yong Hoi Ying	- Messrs. CAS Malaysia PLT
Ms. Nur Aida Athirah Muhammad	- Messrs. CAS Malaysia PLT
En. Abdul Amir Ikhwan	- Acclime Corporate Services
Mr. Kong Chin Lam	- Group Financial Controller

**1. CHAIRMAN**

The Chairman, Encik Abdul Latib Bin Tokimin took the Chair and welcomed all present to the Meeting and then introduced the Members of the Board to the Members present.

**2. QUORUM**

The requisite quorum being present pursuant to Clause 70 of the Company’s Constitution, the Chairman declared the Meeting duly convened.

**3. NOTICE OF MEETING**

The Chairman addressed the meeting and declared the meeting duly convened as the Notice of the Annual General Meeting (“AGM”) dated 31 January 2023 had been circulated to all members of the Company and advertised in Newspaper in accordance with the Company’s Constitution.

Before proceeding with the Agenda of the AGM, the Company Secretary, was called upon

to explain the proceedings of the meeting and voting procedures to the shareholders.

The businesses to be transacted in the AGM involved the moving and passing of Five (5) proposed Ordinary Resolutions which require a vote by a simple majority of the members or their proxies present to approve the proposed Ordinary Resolutions.

Each of the motion would require one proposer and a seconder before putting to the floor to vote; and that pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad, any resolution set out in the notice of any general meeting or notice of resolution must be voted by way of poll.

#### **4. PRESENTATION ON ISSUES RAISED FROM MINORITY SHAREHOLDERS WATCH GROUP**

Before proceeding with the first item of the Agenda, Encik Razmi Bin Alias, the Executive Director presented to the shareholders the issues raised by the Minority Shareholders Watch Group (MSWG) stated under a letter dated 15 March 2023 and the clarification from the Company as follows:-

##### **Operational & Financial Matters**

1. In the year 2021, the Group had completed the first stage development on the infrastructure works of the Tumpat Project and had expected to commence jetty operations in the year 2023. (page 59 of AR2022)

Based on the Company's reply letter dated 21 March 2022 to MSWG's letter dated 14 March 2022, the jetty operation is expected to commence business in the second quarter of the year 2022. With reference to the abovementioned, it seems that the commencement of jetty operations has been delayed. What has caused the delay? Has there been any cost over run on the Tumpat Project?

*Answer: The development stage on Jetty operation side has completed and pending approval from Jabatan Kastam Diraja Malaysia ("Kastam") on custom permit and approval from Marine Department ("Jabatan Laut"), Ministry of Transport for Ship-to-Ship services. The Management of the Group is able to provide jetty services, stockpile services and stevedoring facilities upon obtaining the approval from relevant authorities.*

Has the Group commenced jetty operations at the Tumpat Support Base? If not, when will the jetty commence operations?

*Answer: The commencement of the jetty operation is ready for operations upon obtaining the approval from Kastam and Jabatan Laut. The Management of the Group is monitoring closely for compliance of all the regulations conducted by authorities. The Group expects to commence operation during this current financial year.*

2. The Group's loss attributable to equity holders of the Company increased significantly to RM4.05 million as compared to a loss of RM2.23 million in the previous year (page 9 of AR2023). Accumulated losses increased to RM6.09 million (2021: RM4.74 million), while current liabilities of RM28.32 million exceeds current assets of RM5.53 million (pages 59 & 60 of AR2022).

Given that the Independent Auditors' Report has highlighted a material uncertainty related to going concern, what are the Group's existing business strategies in turning around Asdion?

*Answer: The Group is taking some necessary actions on our existing logistics business such as expanding of current capacity and cost management measures to sustain our main source of income. The Group also looking on any opportunity into a strategic partnership or alliance to gain access to new market or resources. The Group will continue on development and commencement of Tumpat Support Base operation to strengthen Company's financial position.*

When does the Group expect to turn profitable?

*Answer: The Group is working closely on the development and commencement of Tumpat Support Base project during the year 2023. Furthermore, The Group also looking on some potential business partnership to enhance turnover company's financial position.*

3. Administrative expenses increased significantly to RM2.14 million (2021:RM0.88 million). (page 61 of AR2022)

What is the reason for the huge increase in administrative expenses? What were the main items that contributed to the significant increase in the Group's administrative expenses?

*Answer: The reason for the increase in administrative expenses due to the increase of the group's professional fee in financial year 2022. The corporate exercise fee is the major cost on this increase of administrative cost.*

4. The Group had a cash and cash equivalent of RM0.11 million (2021: RM0.21 million) and net debt stood at RM28.17 million (2021: RM9.64 million). The Group's net debt against equity ratio rose to 250% (2021: 118%). (Note 41, page 170 of AR2022).

Given the widening of the Group's losses, how will the Group prepare itself to meet its debt obligations especially the settlement of payables on a timely manner?

*Answer: The Group's net debts increase in the financial year 2022 due to the increase on stages of development costs in Tumpat project. The Group has proposed a settlement of debts through issuance of Irredeemable Convertible Preference Shares (ICPS") and Ordinary Shares has approved via EGM on 11 January 2023. Upon completion of this corporate exercise, The Group expects to attain better financial position.*

### **Corporate Governance Matters**

5. Practice 5.9 of the Malaysian Code of Corporate Governance states that the board should comprise at least 30% women directors. (page 27 of Corporate Governance Report 2022)

As at 30 September 2022, the Board has one female independent nonexecutive director, hence the Board has 20% woman director. Please take note that Practice 5.9 has not been applied.

*Answer: The Management of the Group continue to seek for more potential female director in compliance with the Practice 5.9 of the Malaysia Code of Corporate Governance.*

Following the resignation of Madam Karmjit Kaur A/P Sarban Singh on 31 January 2023, the Board currently does not have any female director. Please note that all public listed companies on Bursa Malaysia should have at least one-woman director by June 2023.

*Answer: The Management of the group is aware of the compliance of Malaysia Code of Corporate Governance and will continue to explore more potential female candidates to join our Board of Director.*

The Company appointed a male Independent and Non-Executive Chairman on 24 February 2023. Did the Nomination Committee consider any female candidate as potential director, prior to appointing a male director?

*Answer: The Nomination Committee is considering suitable candidates for the position to strength the Board function and position. The Committee is also open for more gender diversification to comply with the Practice.*

**5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022 TOGETHER WITH THE DIRECTORS' AND AUDITORS' REPORTS THEREON**

The Audited Financial Statements for the financial year ended 30 September 2022 together with the Directors' and Auditors' Reports thereon as attached in the 2022 Annual Report which had been previously circulated, were tabled for discussion.

**QUESTIONS AND ANSWERS SESSION**

The Chairman invited questions pertaining to the issues raised by the Minority Shareholders Watch Group (MSWG) and financial statements from the floor.

Ms. Choo Yi Ling, the representative of MSWG enquired on the main reason for increase in cost of the Tumpat project.

*Answer:*

*The Management has appointed an independent consultant for this project. There will be a 20% to 30% increase in cost, however the quantum of the increase cannot determine at this moment.*

Since there were no further questions, the Chairman declared that the Audited Financial Statements for the financial year ended 30 September 2022 together with the Reports of the Directors and Auditors thereon were duly received by the shareholders of the Company.

**6. ORDINARY RESOLUTION NO. 1**

- **PAYMENT OF DIRECTORS' FEES AND BENEFITS PAYABLE OF UP TO RM390,000/- FOR THE DIRECTORS OF THE COMPANY FROM 23 MARCH 2023 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD IN 2024**

Ordinary Resolution 1 of the Agenda was to approve the Directors' Fees and Benefit Payable of up to RM390,000/- for the Directors of the Company from 23 March 2023 until the next annual general meeting of the company to be held in 2024.

On the proposal of Ms. Nur Saadah Binti Hashim and duly seconded by Ms. Adni Binti Hashim, the Chairman put the motion to vote.

**7. ORDINARY RESOLUTION NO. 2**

- **RE-ELECTION OF DIRECTOR PURSUANT TO CLAUSE 97.1 OF THE COMPANY'S CONSTITUTION**

Ordinary Resolution 2 of the Agenda was to re-elect Razmi Bin Alias, an Independent Non-Executive Director of the Company who was retiring in accordance with Clause 97.1 of the Company's Constitution.

On the proposal of Mr. Liau Boon Seong and duly seconded by Hj. Mazru Bin Mat Yusoff, the Chairman put the motion to vote.

**8. ORDINARY RESOLUTION NO. 3**

- **RE-APPOINTMENT OF AUDITORS**

Ordinary Resolution 3 of the Agenda was to re-appoint Messrs. CAS Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration was tabled before the meeting.

The Chairman informed the floor that Messrs. CAS Malaysia PLT have indicated their willingness to continue office as Auditors of the Company for the financial year ending 30 September 2023.

On the proposal of Ms. Noor Farhanah Binti Mohd Nazri and duly seconded by Ms. Nur Saadah Binti Hashim, the Chairman put the motion to vote.

**9. ORDINARY RESOLUTION NO. 4**

- **AUTHORITY FOR DIRECTORS TO ISSUE AND ALLOT SHARES IN THE COMPANY PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016**

The Chairman informed the meeting that the next item on the agenda was to consider and if thought fit, to pass an Ordinary Resolution authorising the Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016 as set out in the notice.

The Chairman informed the floor that this is the renewal of the mandate obtained from the Company's shareholders at the last AGM held on 16 March 2023.

On the proposal of Mr. Liau Boon Seong and duly seconded by Hj. Mazru Bin Mat Yusoff, the Chairman put the motion to vote.

**10. ORDINARY RESOLUTION NO. 5**

- **RE-ELECTION OF DIRECTOR PURSUANT TO CLAUSE 104 OF THE COMPANY'S CONSTITUTION**

Ordinary Resolution 5 of the Agenda was to re-elect Encik Abdul Latib Bin Tokimin, an Independent Non-Executive Chairman of the Company who was retiring in accordance with Clause 104 of the Company's Constitution.

On the proposal of Hj. Mazru Bin Mat Yusoff and duly seconded by Ms. Nur Saadah Binti Hashim, the Chairman put the motion to vote.

**11. ANY OTHER BUSINESS**

The Company Secretary confirmed that the Company had not received any notice to transact any other business at the Meeting.

**12. BRIEFING BY COMPANY SECRETARY ON POLLING**

The Company Secretary was called upon to brief on the polling procedures to the shareholders.

**13. ADJOURNED OF MEETING FOR POLL VOTING**

The meeting was adjourned at 11.20 a.m. for the poll voting to commence immediately.

**14. RE-CONVENING OF MEETING AND ANNOUNCEMENT OF RESULTS**

The meeting re-convened at 11.35 a.m. for the announcement of the results of the poll voting by the Chairman as follows:-

Agenda	For		Against		Abstained	Results
	No. of Shares	%	No. of Shares	%		
<b>Ordinary Resolution 1</b> To approve the Directors' fees and benefit payable of up to RM390,000/- to the Directors of	254,830,235	99.9998	2	600	0	Carried

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Minutes of the Twentieth Annual General Meeting held on 16 March 2023 (Cont'd)

Agenda	For		Against		Abstained	Results
	No. of Shares	%	No. of Shares	%		
the Company from 23 March 2023 until the next Annual General Meeting of the Company to be held in 2024.						
<b>Ordinary Resolution 2</b> To re-elect Razmi Bin Alias who is retiring by rotation pursuant to Clause 97.1 of the Company's Constitution.	259,330,835	100.0000	0	0	0	Carried
<b>Ordinary Resolution 3</b> To re-appoint Messrs. CAS Malaysia PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and authorise the Directors to fix their remuneration.	259,330,835	100.0000	0	0	0	Carried
<b>Ordinary Resolution 4</b> To authority to Issue Share Pursuant to Sections 75 and 76 of the Company Act, 2016.	259,330,835	100.0000	0	0	0	Carried



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Minutes of the Twentieth Annual General Meeting held on 16 March 2023 (Cont'd)

Agenda	For		Against		Abstained	Results
	No. of Shares	%	No. of Shares	%		
<b>Ordinary Resolution 5</b> To re-elect Encik Abdul Latib Bin Tokimin who is retiring pursuant to Clause 104 of the Company's Constitution.	259,330,835	100.0000	0	0	0	Carried

The Chairman declared that all the Five (5) Ordinary Resolutions as set out in the Notice were duly carried.

**ORDINARY RESOLUTION 1****PAYMENT OF DIRECTORS' FEES AND BENEFITS FOR THE PERIOD FROM 23 MARCH 2023 UNTIL THE NEXT ANNUAL GENERAL MEETING TO BE HELD IN 2024**

**RESOLVED THAT** the Directors' fees and benefit payable of up to RM390,000/- to the Directors of the Company from 23 March 2023 until the next Annual General Meeting of the Company to be held in 2024 be and is hereby approved.

**ORDINARY RESOLUTION 2****RE-ELECTION OF DIRECTOR PURSUANT TO CLAUSE 97.1 OF THE COMPANY'S CONSTITUTION**

**RESOLVED THAT** Razmi Bin Alias who is retiring as a Director of the Company in accordance with Clause 97.1 of the Company's Constitution be and is hereby re-elected as Director of the Company.

**ORDINARY RESOLUTION 3****RE-APPOINTMENT OF AUDITORS**

**RESOLVED THAT** Messrs. CAS Malaysia PLT, the retiring Auditors having given their consent for re-appointment, be and were hereby re-appointed as Auditors of the Company at a fee to be agreed upon by the Directors.

**ORDINARY RESOLUTION 4**

**AUTHORITY FOR DIRECTORS TO ISSUE AND ALLOT SHARES IN THE COMPANY PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016**

**RESOLVED:-**

**THAT** subject always to the Companies Act, 2016, Constitution of the Company and approvals of the relevant governmental/regulatory bodies where such approvals shall be necessary, the Directors be and are hereby authorised and empowered pursuant to Section 75 of the Companies Act, 2016 to allot and issue 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 issued pursuant to this resolution does not exceed 10% of the total number of issued shares for the time being of the Company 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 Malaysia Securities Berhad.

**THAT** pursuant to Section 85 of the Companies Act, 2016 to be read with Clause 54 of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Companies Act, 2016.

**AND THAT** the Directors of the Company whether solely or jointly, be authorised to complete and do all such acts and things (including executing such relevant documents) as he/she/they may consider necessary, expedient or in the interest of the Company to give effect to the aforesaid mandate.

**ORDINARY RESOLUTION 5**

**RE-ELECTION OF DIRECTOR PURSUANT TO CLAUSE 104 OF THE COMPANY'S CONSTITUTION**

**RESOLVED THAT** Encik Abdul Latib Bin Tokimin who is retiring as a Director of the Company in accordance with Clause 104 of the Company's Constitution be and is hereby re-elected as Director of the Company.

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Minutes of the Twentieth Annual General Meeting held on 16 March 2023 (Cont'd)

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**15. TERMINATION OF MEETING**

There being no other business, the meeting ended at 11.45 a.m. with a vote of thanks to the Chair.

CONFIRMED AS A CORRECT RECORD  
OF THE PROCEEDINGS THEREAT

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**Chairman**