

**GD EXPRESS CARRIER BHD**  
**(Company No. 630579-A)**

MINUTES OF THE FIFTEENTH ANNUAL GENERAL MEETING OF THE COMPANY HELD AT SETIA CITY CONVENTION CENTRE, 1, JALAN SETIA DAGANG AG U13/AG, SETIA ALAM, SEKSYEN U13 , 40170 SHAH ALAM, SELANGOR DARUL EHSAN ON THURSDAY, 6 DECEMBER 2018 AT 11.00 A.M.

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**PRESENT**

**DIRECTORS**

Dato' Capt. Ahmad Sufian @ Qurnain Bin Abdul Rashid <i>(Chairman)</i>	: Also a shareholder and proxy holder for shareholders as per Attendance Sheets attached
Mr Teong Teck Lean <i>(Managing Director/Group Chief Executive Officer)</i>	: Shareholder
Ms Liew Heng Heng <i>(Independent Non-Executive Director)</i>	: Shareholder
Mr Lim Chee Seong <i>(Executive Director/Chief Financial Officer)</i>	: Shareholder
Mr Lee Kah Hin <i>(Executive Director/Chief Investment Officer)</i>	: Shareholder
Encik Adi Arman Bin Abu Osman <i>(Independent Non-Executive Director)</i>	: -
Mr Woo Keng Leong <i>(Non-Independent Non-Executive Director)</i>	: -
Mr Chua Khing Seng <i>(Non-Independent Non-Executive Director)</i>	: -
Ms Low Ngai Yuen <i>(Independent Non-Executive Director)</i>	: -

**IN ATTENDANCE**

Ms Grace Tan – Representing the Company Secretary.

**BY INVITATION**

As per Attendance List attached.

The list of shareholders and proxies who attended the Meeting is set out in the Attendance Lists attached and shall form an integral part of this Minutes.

**No.    Items**

**Action By**

**1.    CHAIRMAN**

The Chairman, Dato' Capt. Ahmad Sufian @ Qurnain Bin Abdul Rashid, extended a warm welcome to the shareholders, proxies and guests present at the Fifteenth Annual General Meeting ("15th AGM") of the Company.

The Chairman introduced the members of the Board of Directors, Company Secretary and External Auditors to the shareholders/proxies of the Company.

<u>No.</u>	<u>Items</u>	<u>Action By</u>
2.	<b>QUORUM</b>	

The Company Secretary confirmed that a quorum was present. Upon confirming that a requisite quorum was present, the Chairman called the Meeting to order at 11.00 a.m.

3. **NOTICE**

The Notice of 15<sup>th</sup> AGM having been circulated within the stipulated time frame was taken as read.

As part of good governance, the Chairman reported that the Company had received a total of 88 proxy forms from shareholders for a total of 3,982,353,508 ordinary shares representing 71.08% of the issued share capital of the Company. Out of these proxy forms, there were seven (7) shareholders who had appointed the Chairman of the Meeting as proxy to vote on their behalf and the shares so represented were 521,003,144 ordinary shares representing 9.30% of the total issued shares of the Company.

4. **RESOLUTIONS TO BE VOTED BY POLL**

At this juncture, the Chairman informed the members on the requirement for resolutions set out in the Notice of the 15th AGM would be voted by poll in accordance with Paragraph 8.92A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Chairman also informed that the polling process would be conducted after the deliberation of all items on the Agenda.

The Chairman further informed the members that GovernAce Advisory & Solutions Sdn Bhd has been appointed as the Independent Scrutineers to facilitate the polling process.

The Chairman then proceeded with the business of 15<sup>th</sup> AGM.

5. **AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018**

Before the Chairman addressed the items on the Agenda, the Chairman reminded the shareholders/proxies to ask questions relevant to the Agenda.

The Chairman then informed the shareholders/proxies that Madam Hoo Ley Beng representing Minority Shareholder Watch Group (“MSWG”) was present at the 15<sup>th</sup> AGM. The Chairman informed that MSWG had written to the Company seeking clarifications on several points raised in relation to the Strategy and Financial matters and Corporate Governance matter. The slide on the responses of the Company to the questions raised by MSWG in their letter dated 28 November 2018 was presented to the shareholders/proxies. A copy of the letter is attached herein as Annexure A.

In his opening remarks, the Chairman briefed the shareholders/proxies on the current market environment where most businesses went through tough and challenging times. He cited that when crude oil prices surged, it was a better year ahead. However, when the crude oil prices came down, stock markets were having problems.

<u>No.</u>	<u>Items</u>	<u>Action By</u>
	<p>Despite this challenging time, he told the shareholders that the Company had taken up a 44.5% stake in the IPO of PT Satria Antaran Prima Tbk (“SAP Express”), a local courier company in Indonesia where the 5-year convertible bonds subscribed by the Company in 2016 were redeemed upon listing of SAP Express in October 2018. This was the Company’s investment in regional market and this was also in line with the strategy to expand regionally as well as to build its regional ecosystem. Aside Indonesia, the Company would also venture into other countries in the future.</p> <p>The Chairman further informed that the Company’s investment in Web Bytes Sdn Bhd was moving well.</p> <p>The Audited Financial Statements for the financial year ended 30 June 2018 (“2018 AFS”) together with the Directors’ and Auditors’ Reports thereon having been circulated to all the shareholders of the Company within the statutory period were taken as read.</p> <p>The Chairman informed that the 2018 AFS together with the Directors’ and Auditors’ Report thereon were meant for discussion only as approval from shareholders was not required.</p> <p>Thereafter, the Chairman invited questions from the floor and the questions raised by representative of MSWG/shareholder/proxy holder were responded as follows:-</p>	
	<p>(a) <b><u>Page 125 of 2018 AFS - (Impairment loss) / on Reversal of impairment loss on trade receivables and bad debts written off</u></b></p> <ul style="list-style-type: none"><li>• In assessing whether sufficient allowance was made for bad debts and the impairment for receivables, the Credit Division and Finance Department of the Group would review bad debts and those debts were not recoverable would be written off.</li><li>• The adoption of MFRS 9 for trade receivables written off as bad debts would be complied.</li></ul>	
	<p>(b) <b><u>Pages 133 and 139 of 2018 AFS – Investment Properties / Investment in Subsidiaries</u></b></p> <ul style="list-style-type: none"><li>• The rationale for the acquisition of 3 investment properties (which was completed on 15 January 2018) was a long-term investment of the Group.</li><li>• Despite the tenancy of factory building (two acres lot) in Jelapang, Ipoh was terminated in December 2017, it may be used as a hub. It would take some time for the Company to look for a new tenant.</li></ul>	
	<p>(c) <b><u>Page 16 of 2018 AFS - Investment in Convertible Bonds</u></b></p> <ul style="list-style-type: none"><li>• Notwithstanding that PT Satria Antara Prima Tbk (“SAP Express”) was still making losses, it required time and patience to yield returns.</li><li>• SAP has similar situation with the Company during its earlier loss-making years and it has potential to grow like the Company in the years to come.</li><li>• Moreover, the leader of SAP Express has a passion for its business and people and he agreed with Company’s way to structure SAP Express via the Company’s subscription of 5-year convertible bonds in SAP Express. The Company managed to redeem its convertible bonds in less than 5 years.</li></ul>	

<u>No.</u>	<u>Items</u>	<u>Action By</u>
	<ul style="list-style-type: none"><li>• Upon listing of SAP Express on the Development Board of Indonesia Stock Exchange, everyone could own shares in SAP Express and it was not restricted to its local people.</li><li>• After listing, the Company would assist SAP Express to set up an advisory company that could provide advice and support for SAP Express to grow.</li><li>• Currently, there were no plans to set up any other additional roles. This was to respect the laws and regulations of Indonesia.</li></ul>	
(d)	<p><b><u>Acquisition of MBE Business Corporation Sdn Bhd and MBE Business Holdings Sdn Bhd (Collectively, “MBE Malaysia”)</u></b></p> <ul style="list-style-type: none"><li>• The acquisition of MBE Malaysia did not go through because certain conditions precedent in the agreement were not met.</li></ul>	
(e)	<p><b><u>Customer-to-customer (C2C) business</u></b></p> <ul style="list-style-type: none"><li>• The Company has digital plan to expand C2C market.</li><li>• Web Bytes Sdn Bhd (30% owned associate company), a business software solutions company, would provide retail management solution to help the Company’s entrance into the C2C segment.</li></ul>	
(f)	<p><b><u>Capital Expenditure (“CAPEX”) for IT infrastructure</u></b></p> <ul style="list-style-type: none"><li>• The Company would allocate approximately RM6.0 million for IT infrastructure to ensure business continuity plan was in place.</li></ul>	
(g)	<p><b><u>Investment in SAP Express</u></b></p> <ul style="list-style-type: none"><li>• The Company would not liquidate its shares and choose to stay in SAP Express as the future potential in Indonesia was far better than in Malaysia and businesses could grow through collaboration with local.</li></ul>	
(h)	<p><b><u>C2C business access points</u></b></p> <ul style="list-style-type: none"><li>• The C2C business access points would be digitally connected with the help of Web Bytes Sdn Bhd and once the system was in place, it could be very fast.</li><li>• The number of access points could be around 1,000 and in order to figure out whether there was a market for C2C, the system has to be tested out.</li></ul>	
(i)	<p><b><u>Pages 125 and 128 of 2018 AFS – Underprovision of income tax expense in prior years</u></b></p> <ul style="list-style-type: none"><li>• The pioneer status tax incentive granted to GD Express Sdn Bhd expired in September 2017.</li><li>• Due to Yamato Asia Pte Ltd’s investment in the Company in 2016, the equity structure had changed and did not meet the requirements of the pioneer status, and the tax incentive was claw-back in 2016.</li><li>• An appeal was made to Malaysian Investment Development Authority and it was rejected. As a result, there was an underprovision of income tax.</li><li>• The Management had taken prudent steps to provide a provision for income tax expense for the current year. Thus, the tax incentive included a “clawback” provision.</li></ul>	

After dealing with all the questions raised, the Audited Financial Statements of the Company for the financial year ended 30 June 2018 was taken as having been received.

**No.    Items**

**Action By**

**6.    POLL PROCEDURE**

After going through all the motions set out in the Notice of the 15<sup>th</sup> AGM, the Chairman invited the Company Secretary to brief the floor on the polling procedures. She informed the shareholders and proxies to deposit their polling forms into the Ballot Boxes upon completion. The shareholders and proxies present were then given time to cast their votes.

The Chairman informed that the outcome of the poll would be announced after a short break as it would take some time for the independent scrutineers to tabulate the results of the poll. The Meeting was then adjourned at 12.00 noon for the votes to be counted and to enable the scrutineers to present their report to the Chairman.

**7.    ANY OTHER BUSINESS**

The Chairman informed the Meeting that there was no other business to be transacted of which due notice had been given in accordance with the Company's Constitution and Companies Act 2016.

**8.    POLL RESULTS**

The Meeting resumed at 12.30 p.m. and after obtaining the report from the Independent Scrutineers, the Chairman announced the results of the poll as follows:-

Ordinary Resolution 1	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
To approve a first and final single-tier dividend of 0.20 sen per ordinary share in respect of the financial year ended 30 June 2018	4,236,174,172	99.999882	5,000	0.000118

It was RESOLVED:-

“THAT a first and final single-tier dividend of 0.20 sen per ordinary share of in respect of the financial year ended 30 June 2018 be and is hereby approved.”

Ordinary Resolution 2	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
To approve Directors' fees and benefits payable to the Non-Executive Directors of the Company up to aggregate amount of RM321,200.00 for the financial year ended 30 June 2018	4,189,835,944	99.999284	30,000	0.000716

**No.**    **Items**

**Action By**

It was RESOLVED:-

“**THAT** the payment of Directors’ fees and benefits to the Non-Executive Directors of the Company up to aggregate amount of RM321,200.00 for the financial year ended 30 June 2018 be and is hereby approved.”

Ordinary Resolution 3	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
To approve the re-election of Mr Woo Keng Leong as Director who retired pursuant to Clause 96 of the Constitution of the Company	4,236,174,172	99.999882	5,000	0.000118

It was RESOLVED:-

“**THAT** Mr Woo Keng Leong who retired pursuant to Clause 96 of the Constitution of the Company be and is hereby re-elected as Director of the Company.”

Ordinary Resolution 4	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
To re-elect Mr Lim Chee Seong as Director who retired pursuant to Clause 96 of the Constitution of the Company	4,245,841,672	99.999882	5,000	0.000118

It was RESOLVED:-

“**THAT** Mr Lim Chee Seong who retired pursuant Clause 96 of the Constitution of the Company be and is hereby re-elected as Director of the Company.”

Ordinary Resolution 5	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
To re-elect Mr Chua Khing Seng as Director who retired pursuant Clause 96 of the Constitution of the Company	4,236,169,172	99.999882	5,000	0.000118

It was RESOLVED:-

“**THAT** Mr Chua Khing Seng who retired pursuant Clause 96 of the Constitution of the Company be and is hereby re-elected as Director of the Company.”

**No.**    **Items**

**Action By**

Ordinary Resolution 6	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
To re-appoint Messrs Deloitte PLT as Auditors of the Company and to authorise the Directors to fix their remuneration	4,236,169,172	99.999882	5,000	0.000118

It was RESOLVED:-

“THAT Messrs Deloitte PLT be and are hereby re-appointed as Auditors of the Company for the ensuing year until the conclusion of the next Annual General Meeting and that the Directors be authorised to fix their remuneration.”

Ordinary Resolution 7	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
Retention of Dato’ Capt. Ahmad Sufian @ Qurnain bin Abdul Rashid as Independent Non-Executive Director	4,189,847,787	99.999878	5,100	0.000122

It was RESOLVED:-

“THAT Dato’ Capt. Ahmad Sufian @ Qurnain bin Abdul Rashid who has served the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve years be and is hereby retained as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting.”

Ordinary Resolution 8	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
Retention of Ms Liew Heng Heng as Independent Non-Executive Director	4,232,055,104	99.999879	5,100	0.000121

It was RESOLVED:-

“THAT Ms Liew Heng Heng who has served the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve years be and is hereby retained as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting.”

**No. Items**

**Action By**

Ordinary Resolution 9	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
Authority under Section 75 and Section 76 of the Companies Act 2016 for the Directors to allot and issue shares	4,236,174,052	99.999880	5,100	0.000120

It was RESOLVED:-

“**THAT** pursuant to Section 75 and Section 76 of the Companies Act 2016, the Directors be and are hereby empowered to allot and issue shares in the Company, at any time, at such price, upon such terms and conditions, for such purpose and to such person or persons whomsoever 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 (10%) of the total number of issued share/ total number of voting shares of the Company (excluding treasury shares) at the time of issue and **THAT** the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and **THAT** such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

Ordinary Resolution 10	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
Proposed Renewal of the Authority to allot and issue new ordinary shares in GD Express Carrier Bhd (“GDEX Shares”), for the purpose of the Company’s Dividend Reinvestment Plan (“DRP”) that provides the shareholders of GD Express Carrier Bhd the Option to elect to reinvest their cash dividend in new GDEX Shares	4,236,179,172	100	0	0

It was RESOLVED:-

“**THAT** pursuant to the DRP as approved by the shareholders at the Annual General Meeting held on 3 December 2013 and subject to the approval of the relevant regulatory authorities (if required), approval be and is hereby given to the Company to allot and issue such number of new GDEX Shares from time to time as may be required to be allotted and issued pursuant to the DRP until the conclusion of the next Annual General Meeting upon such terms and conditions and to such persons as the Directors of the Company at their absolute discretion, deem fit and in the interest of the Company **PROVIDED THAT** the issue price of the said new GDEX Shares shall be fixed by the Directors at not more than 10% discount to the adjusted five (5)-day volume weighted average market price (“VMAMP”) of GDEX Shares immediately prior to the price-fixing date, of which the VMAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price and issue price may not be less than the par value of GDEX Shares;



**No.    Items**

**Action By**

AND THAT the Directors and the Secretary of the Company be and are hereby authorised to do such acts and enter into all such transactions, arrangements, undertakings and documents as may be necessary or expedient in order to give full effect to the DRP with full power to assent to any conditions, modifications, variations and/or amendments (if any) or consequent upon the implementation of the said conditions, modifications, variations and/or amendments, by the Directors as they, in their absolute discretion, deem fit and in the best interest of the Company.”

Ordinary Resolution 11	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature	1,649,375,765	99.998484	25,000	0.001516

It was RESOLVED:-

“THAT approval be and is hereby given to the Company and its subsidiaries (“Group”) to enter into and give effect to the specified recurrent related party transactions of a revenue or trading nature and with the specified classes of related parties as specified in Section 2.4 of the Circular to Shareholders dated 30 October 2018, provided that:-

- (a) such arrangements and/or transactions are necessary for the Group’s day-to-day operations;
- (b) such arrangements and/or transactions undertaken are in the ordinary course of business, at arm’s length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to third party;
- (c) such arrangements and/or transactions are not detrimental to the minority shareholders of the Company; and
- (d) the disclosure is made in the annual report on the aggregate value of transactions conducted pursuant to the shareholders’ mandate during the financial year in relation to:-
  - (i) the related transacting parties and their respective relationship with the Company; and
  - (ii) the nature of the recurrent transactions.

THAT such authority shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company following the general meeting at which such mandate is passed, at which time it will lapse, unless the authority is renewed by a resolution passed at the next AGM, the authority is renewed; or

<u>No.</u>	<u>Items</u>	<u>Action By</u>
(b)	the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or	
(c)	revoked or varied by resolution passed by the shareholders of the Company at a general meeting of the Company,	

whichever occurs first.

AND THAT authority be and is hereby given to the Directors of the Company and its subsidiaries to complete and do all such acts and things as they may consider expedient or necessary to give effect to the transactions as authorised by this Proposed Shareholders' Mandate."

## 9. CONCLUSION

There being no other matters, the Meeting concluded at 12.45 p.m. with a vote of thanks to the Chair

SIGNED AS A CORRECT RECORD



**DATO' CAPT. AHMAD SUFLIAN @**  
**QURNAIN BIN ABDUL RASHID**  
CHAIRMAN