



HUBLINE BERHAD

Registration No. 197501001462 (23568-H)

(Incorporated in Malaysia)

MINUTES OF THE FORTY-SEVENTH ANNUAL GENERAL MEETING (“47<sup>TH</sup> AGM”) OF HUBLINE BERHAD (“HUBLINE” OR “THE COMPANY”) HELD AT ABELL ROOM, 4TH FLOOR, ABELL HOTEL, NO. 22 JALAN TUNKU ABDUL RAHMAN, 93100, KUCHING, SARAWAK, ON FRIDAY, 3<sup>RD</sup> MARCH 2023 AT 3:00 P.M.

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**PRESENT AT THE 47<sup>TH</sup> AGM VENUE:**

**DIRECTORS**

Dato Richard Wee Liang Huat @ Richard Wee Liang Chiat	Non-Independent Executive Chairman
Mr. Dennis Ling Li Kuang	Non-Independent Group Managing Director
Ms. Katrina Ling Shiek Ngee	Non-Independent Group Executive Director
Mr. Peter Chin Mui Khiong	Senior Independent Non-Executive Director
Tuan Haji Ikhwan Bin Zaidel	Non-Independent Non-Executive Director
Mr. Bobby Lim Chye Huat	Independent Non-Executive Director
Mr. Lai Lian Yee	Independent Non-Executive Director

**IN ATTENDANCE:**

Mr. Hudson Chua Jain	Chief Executive Officer
Mr. Chua Beng Cheng	Chief Financial Officer
Madam Yeo Puay Huang	Company Secretary
Ms. Michelle Chin	Representative of Crowe Malaysia PLT
Ms. Beatrice Tang	Representative of Crowe Malaysia PLT

**MEMBERS :**

Lim Ngo Mooy  
Liew Thian Shin @ Liew Thian Shen  
Chua Yan Kah  
Chuo Kuong Liong  
Kho Hui Choo  
Wong On Sing  
Leong Woh Ging  
Lim Kai Fong  
Chai Shiong Chew  
Tsai Song Lim  
Wong Siak Onn  
Liew Shiong Kian  
Tan Hon Boon

**CORPORATE REPRESENTATIVE**

Ooi Beng Hooi – representative of Minority Shareholders Watch Group

**PROXIES**

Ikhwan Bin Zaidel	proxy from Kenanga Nominees (Tempatan) Sdn. Bhd. pledged securities account for Ibrahim Bin Baki
Ikhwan Bin Zaidel	proxy from Kenang Nominees (Tempatan) Sdn. Bhd. pledged securities account for IBZ Corporation Sdn. Bhd.
Katrina Ling Shiek Ngee	proxy from Kenanga Nominees (Tempatan) Sdn Bhd pledged securities account for Billion Power Sdn Bhd
Lau Swee Eng	proxy from Ta Nominees (Tempatan) Sdn Bhd pledged securities account for Lau Swee Eng

Lawrence Wong Dang Fong	proxy from Affin Hwang Nominees (Tempatan) Sdn Bhd pledged securities account for Focus Return Sdn Bhd
Lawrence Wong Dang Fong	proxy from TA Nominees (Tempatan) Sdn Bhd pledged securities account for Lanacove Sdn Bhd
Ling Li Kuang	proxy from Alliancegroup Nominees (Tempatan) Sdn Bhd pledged securities account for Ling Li Kuang
Dato Richard Wee Liang Huat @ Richard Wee Liang Chiat	proxy from Kenanga Nominees Sdn Bhd pledged securities account for Billion Power Sdn Bhd
Tay Eng Tong	proxy from Amsec Nominees (Tempatan) Sdn Bhd pledged securities account for Tay Eng Tong

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### **1. Welcome Address by the Chairman**

Dato Richard Wee Liang Huat @ Richard Wee Liang Chiat (“the Chairman”) chaired the 47<sup>th</sup> AGM of the Company and welcomed all present at the AGM of the Company. He introduced the members of the Board of Directors to the members.

### **2. Quorum for the Meeting**

The Chairman, having confirmed that the requisite quorum being present, called the Meeting to order at 3:00 p.m.

### **3. Voting By Way of Poll**

The Chairman briefed the members that pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the notice and put to vote at general meeting would be decided on a poll. He further informed that all the resolutions at the Meeting would be put to vote by poll using polling forms.

The Company has appointed Securities Services (Holdings) Sdn. Bhd. to act as Poll Administrator.

The Company had also appointed Independent Scrutineer, Commercial Quest Sdn. Bhd. (Registration No. 199401025328 (311007-M)) to verify and validate the polling results. The polling process for voting on the resolutions would be conducted upon

completion of the deliberation of all items to be transacted at the Meeting.

#### **4. Notice of Meeting**

The Notice convening the Meeting having been circulated within the prescribed period and there was a quorum for the Meeting, thus, with the permission of the Meeting, it was taken as read.

#### **5. Audited Financial Statements and Reports**

The Chairman informed that the Audited Financial Statements for the financial year ended 30 September 2022 together with the Report of the Directors and Auditors thereon, were tabled at the Meeting for discussion only and were not required to be put forward for voting.

The Audited Statements of Accounts together with the Reports have been circulated to all members within the prescribed period.

#### **6. Questions and Answers Session**

Prior to the Meeting, the Minority Shareholders Watch Group (“MSWG”) had on 22 February 2023 submitted their questions to the Company via e-mail raising some questions pertaining to operational and financial matters.

The questions and answers attached as Appendix 1 was presented at the Meeting.

Mr. Ooi indicated that he was satisfied with the responses being given by the Company.

There were no further questions being raised on the business and operations of the Company.

#### **7. Any Other Business**

The Meeting noted that the Company had not received any notice for transaction of any other business.

The Meeting then proceeded to voting using polling forms.

#### **8. Polling Process**

The Company Secretary briefed the Meeting on the procedures for the conduct of voting using polling forms.

The Chairman informed that he has been appointed as proxy for several members and that he would vote in accordance with the instructions given.

Thereafter, the members proceed to vote on the various resolutions using polling forms provided by the share registrar.

## 9. Declaration of Poll Voting Results

After the Scrutineer had verified the polling results and passed the results to the Board of Directors, the Chairman called the Meeting to order the declaration of results.

Based on the polling results which have been verified and validated by the Scrutineer, the Chairman declared all the resolutions tabled at the Meeting, carried as follows:

### Resolution 1:

To re-elect Tuan Haji Ikhwan Bin Zaidel who is retiring in accordance with Clause 18.2 of the Company's Constitution and is offering himself for re-election.

Results on voting by poll, as verified by the Scrutineer:

VOTE IN FAVOUR		VOTE AGAINST	
No. of Shares	%	No. of Shares	%
2,238,056,901	99.9533	1,044,900	0.0467

Based on the poll result, the Chairman declared the motion as carried.

### Resolution 2:

To re-elect Mr. Lai Lian Yee who is retiring in accordance with Clause 18.2 of the Company's Constitution and is offering himself for re-election.

Results on voting by poll, as verified by the Scrutineer:

VOTE IN FAVOUR		VOTE AGAINST	
No. of Shares	%	No. of Shares	%
2,238,056,901	99.9533	1,044,900	0.0467

Based on the poll result, the Chairman declared the motion as carried.

**Resolution 3:**

To re-elect Mr Peter Chin Mui Khiong who is retiring in accordance with Clause 18.2 of the Company's Constitution and is offering himself for re-election.

Results on voting by poll, as verified by the Scrutineer:

VOTE IN FAVOUR		VOTE AGAINST	
No. of Shares	%	No. of Shares	%
2,238,056,901	99.9533	1,044,900	0.0467

Based on the poll result, the Chairman declared the motion as carried.

**Resolution 4:**

To approve Directors' fees of RM800,000 for the financial year ending 30 September 2023.

Results on voting by poll, as verified by the Scrutineer:

VOTE IN FAVOUR		VOTE AGAINST	
No. of Shares	%	No. of Shares	%
2,237,553,651	99.9309	1,548,150	0.0691

Based on the poll result, the Chairman declared the motion as carried.

**Resolution 5:**

To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company and to authorize the Directors to determine their remuneration.

Results on voting by poll, as verified by the Scrutineer:

VOTE IN FAVOUR		VOTE AGAINST	
No. of Shares	%	No. of Shares	%
2,238,056,901	99.9533	1,044,900	0.0467

Based on the poll result, the Chairman declared the motion as carried.

## Resolution 6:

Authority to allot and issue shares pursuant to Section 75 and Section 76 of the Companies Act 2016

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons 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 (10) percent of the issued share capital 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 the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company, subject always to the Companies Act 2016, the Constitution of the Company and approval of all relevant regulatory bodies being obtained for such allotment and issue.”

Results on voting by poll, as verified by the Scrutineer:

VOTE IN FAVOUR		VOTE AGAINST	
No. of Shares	%	No. of Shares	%
2,238,056,901	99.9533	1,044,900	0.0467

Based on the poll result, the Chairman declared the motion as carried.

## 10. Meeting Closure

There being no other business to be transacted, the Meeting concluded at approximately 3:40 p.m. and the Chairman thanked all present for their attendance.

Mr. Dennis Ling thanked the Chairman for his chairmanship.

## Appendix 1:

We refer to the questions being raised by the Minority Shareholders Watch Group's letter dated 22 February 2023. Accordingly, our responses to the questions being raised are disclosed as follows:

### Operational & Financial Matters

1. "In spite of various challenges within the South East Asian region, we continue to invest our resources into this geographical region because we see good potential growth over the longer term. Moreover, the challenging economic backdrop may actually produce several business and investment opportunities which may yield tangible results for us in the longer term provided that these opportunities fall within the Group's risk-adjusted return profile." (Page 6 of the FY2022 Annual Report).

How much capital expenditure is allocated for FY2023 and what are the investments to be made in FY2023?

Response:

Our approved capital expenditure for FY2023 is RM 22.5 million and this is allocated towards building new barges as well as the acquisition of an additional aircraft.

The Board continuously engages with key management personnel of the operating units to ascertain resource requirements including capital expenditures and investments. At this point in time, the Board has not approved any new investments for FY2023.

2. The Group has been profitable since FY2021. With promising shipping orders and positive long-term outlook for the shipping industry within the South East Asian region, as disclosed in the Annual Report FY2022, does the Board intend to resume dividend payment in the foreseeable future?

Response:

After many years spent reorganizing and restructuring the Group's finances following the exit from the container shipping business, the Group has finally turned the corner. Profits from our operating units were reinvested into the current operations which are in an expansionary phase. The Group is undertaking fleet replacement/ expansion



program which require cash in the short term but will enhance the profitability and improve the Group's cash position in the future.

The Group intends to resume dividend payments upon reaching a healthy retained profits and cash flow position.

3. What were the key components in administrative expenses and other operating expenses and what were the reasons for the jump in these expenses from RM24.245m for FY2021 to RM33.768m for FY2022?

Response:

The key components of Administrative and other operating expenses comprised lease expenses, depreciation, directors and employee benefits expenses, impairment losses and foreign exchange losses.

Administrative and other operating expenses increased from RM 24.3 million to RM 33.8 million predominantly due to higher depreciation, directors and employee benefits expenses and write-off in value of property, plant and equipment.

4. The effective interest rate for credit card facilities was 18.00% in both FY2021 and FY2022 (page 130 of the Annual Report FY2022) and the Group incurred credit card interest of RM31,593 and RM38,830 in FY2021 and FY2022 respectively. Why did the Group utilise the credit card facilities when the credit card interest was significantly higher than other types of borrowings which ranged between 2.26% and 8.40%?

Response:

The credit card facilities were used by our aviation segment for payment of certain travel expenses, insurance, aviation fuels, spare parts and other aviation related charges.

The credit card facilities had to be utilized during the year whenever the segment's cash flow needs were not adequately matched by proceeds from receivables. However, we take note of your comments and will endeavor to minimize interest expenses by better utilization of our credit facilities.

5. Resolution 6 of the 47<sup>th</sup> AGM is to seek shareholders' mandate for allotment and issuance of shares pursuant to Section 75 and Section 76 of the Companies Act 2016. Does the resolution include waiver of the statutory pre-emptive rights of the shareholders of the Company to be first offered new Hubline Shares arising from any issuance of Hubline Shares pursuant to the above general mandate under Section 85 of the Act?

Response:

Resolution 6 of the 47<sup>th</sup> AGM did not include a waiver of the pre-emptive rights of the shareholders of the Company to be first offered new Hubline Shares arising from any issuance of Hubline Shares pursuant to the general mandate of Section 85 of the Act.

We will ensure that any future resolutions seeking shareholder's mandate for allotment and issuance of shares include a waiver of the pre-emptive rights under Section 85 of the Act.

For 2023, in the event we do decide to allot and issue new Hubline shares, we will hold an EGM to obtain shareholders' approval for waiver on the pre-emptive rights.