

GFM SERVICES BERHAD
[Registration No.: 201301003302 (1033141-H)]
(Incorporated in Malaysia)

MINUTES OF THE TENTH (10TH) ANNUAL GENERAL MEETING OF GFM SERVICES BERHAD (“GFM” OR “THE COMPANY”) CONDUCTED FULLY VIRTUAL FROM THE ONLINE MEETING PLATFORM AT <https://bit.ly/3J8mUAX> PROVIDED BY ACCLIME CORPORATE SERVICES SDN. BHD. ON WEDNESDAY, 21 JUNE 2023 AT 10.00 A.M.

PRESENT:-

Board of Directors (“the Board”)

- | | |
|---------------------------------------|----------------------------------------------------|
| Abdul Rahim Bin Abdul Hamid | - Independent Non-Executive Director
(Chairman) |
| Ruslan Bin Nordin | - Group Managing Director |
| Mohammad Shahrizal Bin Mohammad Idris | - Non-Independent Non-Executive Director |
| Ashok Virendra Shah | - Independent Non-Executive Director |
| Yong Hee Kong | - Independent Non-Executive Director |
| Zainal Arifin Bin Khalid | - Independent Non-Executive Director |
| Zainal Bin Amir | - Non-Independent Non-Executive Director |
| Tong Jia Wann | - Independent Non-Executive Director |

IN ATTENDANCE

- | | |
|---------------|---------------------|
| Wong Youn Kim | - Company Secretary |
|---------------|---------------------|

BY INVITATION

As per Attendance Lists

1. **CHAIRMAN**

The Chairman, Mr. Abdul Rahim Bin Abdul Hamid took the Chair and welcomed all present at the virtual Annual General Meeting (“AGM”) of the Company which was held via an online platform at Kuala Lumpur (“Meeting”). This Meeting was conducted in a fully virtual environment in accordance with the Guidance issued by the Securities Commission Malaysia.

He then introduced the members of the Board, the Company Secretary and the External Auditors to the members.

2. **BRIEFING ON HOUSEKEEPING PROCEDURES**

The Company Secretary, upon the request of the Chairman, briefed the members on the housekeeping procedures to be adhered to pertaining to the Meeting.

3. **QUORUM**

The Chairman, having confirmed with the Company Secretary that the requisite quorum is present, called the Meeting to order at 10.00 a.m.

4. **NOTICE OF MEETING**

The Chairman informed the members that the notice of the Meeting (“the Notice”) was properly sent to all members of the Company and advertised in the New Straits Times newspaper on 28 April 2023.

The Notice, having been circulated earlier, was taken as read.

5. **POLL PROCEDURE**

Before proceeding with the Agenda of the Meeting, the Chairman highlighted that the businesses to be transacted at the Meeting involved the moving and passing of seven (7) Ordinary Resolutions which require the approval by a simple majority of members or their proxies present at the AGM.

The Chairman informed the Meeting that all resolutions set out in the Notice would be voted by way of poll.

The Chairman further said that each motion would require a proposer and seconder to move and second the motion before putting forward for voting, except for Agenda 1 in relation to the receiving of the Audited Financial Statements as formal approval from members is not required.

With a view to facilitate the flow of the Meeting, Encik Ruslan Bin Nordin and Encik Mohammad Shahrizal Bin Mohammad Idris, the directors and shareholders of the Company offered themselves to be the proposer and seconder for all the motions.

The Chairman also informed the members that Acclime Corporate Services Sdn. Bhd. had been appointed as the Poll Administrator to conduct the poll by way of online voting and Niche & Milestones International Sdn. Bhd. was appointed as the Independent Scrutineer to supervise the polling process and verify the poll results.

6. **PRESENTATION BY GROUP MANAGING DIRECTOR AND DIRECTOR OF CORPORATE SERVICES OF THE COMPANY**

Encik Ruslan Bin Nordin (“Encik Ruslan”), the Group Managing Director of the Company and Encik Zakir Basree Bin Abdul Rahman, the Director of Corporate Services of the Company briefed the members on GFM’s financial and operational performance for the financial year 2022, details of which were presented as follows:-

a) Business Overview

GFM delivers optimal facilities management (“FM”) solutions to organisations across various industries. It provides customised support services enabling companies to focus on their core business and help customers to achieve their objectives.

Currently, GFM is primarily engaged in four services, which are as follows:

1. Assets and Building Facilities Services

GFM provides integrated facilities management services for built environments and manages asset concession for UiTM Mukah.

2. Workforce Lodging Facilities Services

GFM offers maintenance and management services for workforce lodging, including Centralised Labour Quarters.

3. Highway RSA Facilities Services

GFM is involved in the construction, operation and maintenance services of Highway Rest and Service Area.

4. Oil and Gas (“O&G”) Facilities Services

GFM provides maintenance services for static and O&G plant turnaround under Integrated Turnaround Main Mechanical and Maintenance Mechanical Static

At present, the Company's focus is directed towards these four services, and looks ahead to future opportunities and growth in these areas.

b) Key Highlights during the financial year 2022 (“FY2022”)

- During the FY2022, revenue grew by 13% to RM140.8 million from RM124.1 million in the preceding year (“FY2021”).
- For FY2022, GFM’s net profit increased by 83% to RM18.3 million from RM10.0 million in FY2021, signifying a record high for GFM.
- The Group’s current orderbook stands at RM1.29 billion as at 31 March 2023.
- The Group had achieved a safety performance of less than 1 million manhours without any lost time injuries.
- The energy performance of GFM’s sites has shown significant improvement, with a reduction of 19.4% in electricity consumption.
- Currently, GFM has 360 employees.

c) Ongoing Projects

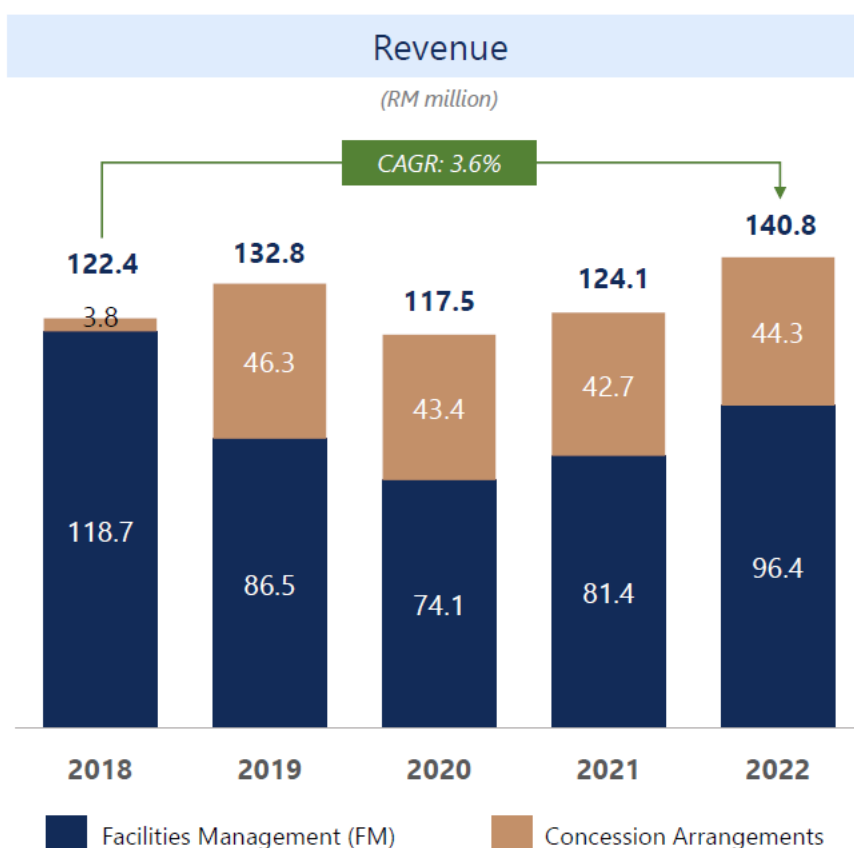
GFM successfully secured several new projects with the following parties during FY2022:-

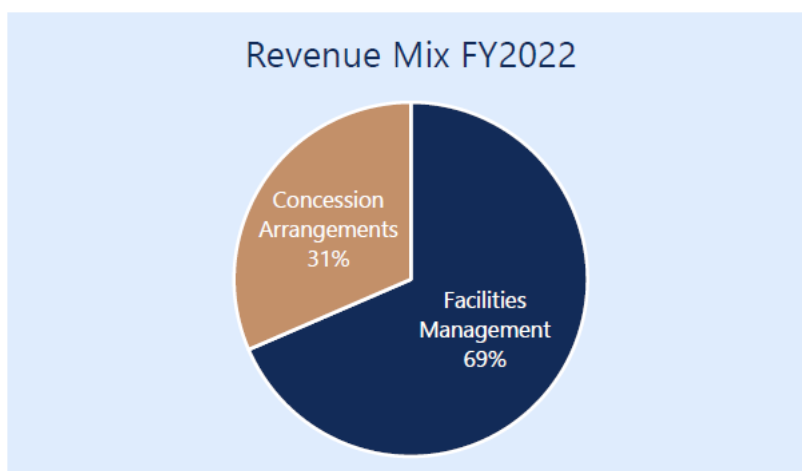
- UiTM Tapah (Ends December 2034)
- Istana Negara (Ends June 2027)
- EduCity (Ends September 2023)
- Pengerang Integrated Complex (Ends September 2023)
- UiTM Mukah (Ends October 2035)

d) Strengthening Capabilities

GFM has developed an in-house management system to enhance GFM Enterprise Management Systems. This system includes an incentive-based program designed to boost workforce productivity and performance. By utilizing this system, the Company aims to improve outcomes for its clients and ensure efficient project management. It is worth noting that the system has been endorsed by JKR for its use in FM projects, further validating its effectiveness and reliability.

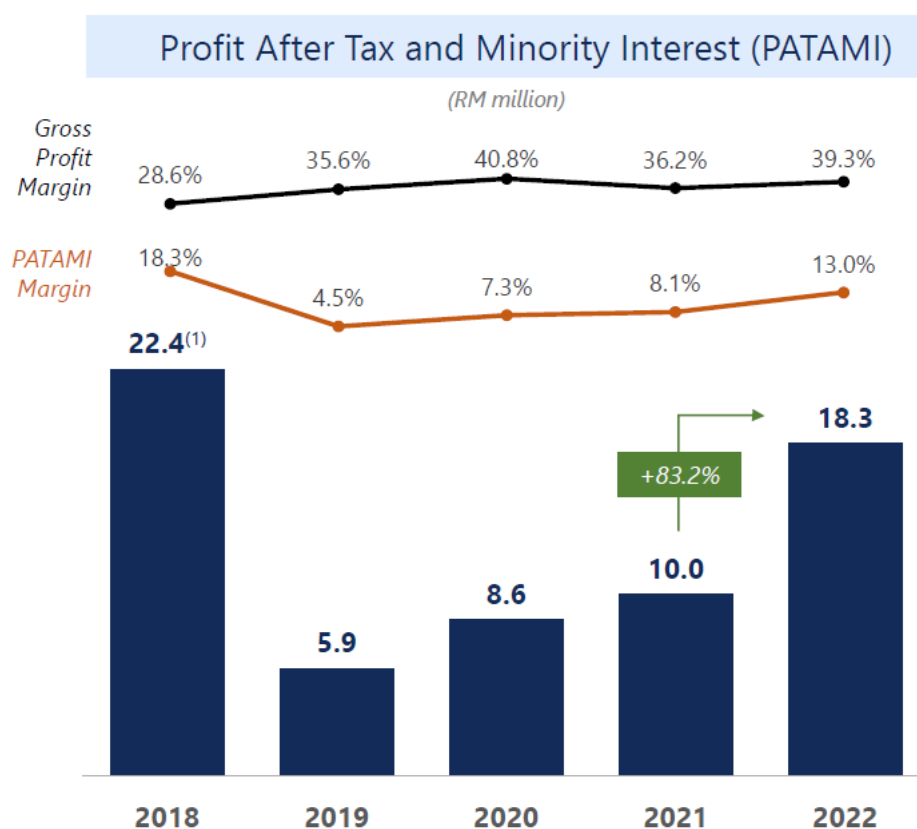
e) Highest Ever Revenue in FY2022





For FY2022, revenue grew by 13% to RM140.8 million from RM124.1 million for FY2021. The higher revenue was underpinned by maiden contributions from the Istana Negara contract in 3Q 2022. Additionally, revenue from Concession Arrangements remained stable and consistent during the period. These factors contributed to the overall growth in revenue for the specified timeframe.

f) Resilient Performance

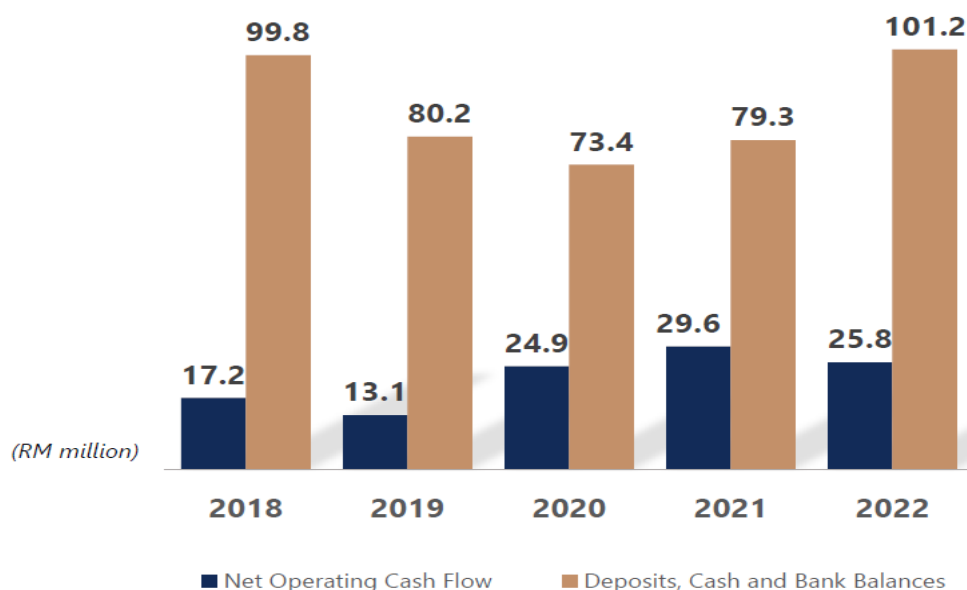


Note: ⁽¹⁾ Includes one-off gain on bargain purchase of KP Mukah of RM20.2 million

The Group Gross Profit (“GP”) margin expansion is in line with the higher revenue in FY2022.

Finance costs had also reduced on the back of the repayment of borrowings.

g) Prudent Cash Flow Management



The Group generates robust net cash from operating activities. The Group practices prudent cash flow management by maintaining sufficient deposits, cash and bank balances to execute its orderbook and undertake growth plans.

h) Robust Financial Position as at 31 March 2023

As at 31 March 2023, total borrowings decreased to RM282.7 million from RM309.8 million in FY2021 due to the ongoing repayment of long-term borrowings. This translated into a lower gearing ratio of 0.51 times, as compared to 0.65 times in FY2021, with the deposits, cash and bank balances amounting to RM110.2 million as at 31 March 2023. GFM expects its gearing ratio to further improve as GFM continues to meet the Group’s debt payment obligations, supported by steady recurring cash flows from KP Mukah.

The net tangible assets per share stood at 21 sen as at 31 March 2023. The Group also generated a positive net operating cash flow of RM18.8 million as at 31 March 2023 to meet operational needs and undertake growth plans.

i) GFM Strategic Initiatives (2023 – 2027)

GFM AUDACIOUS GOAL	“SURVIVE” Achieve revenue targets for AMP	“SUCCEED” Achieve revenue and margin targets for AMP+	“PROSPER” Achieve stretched AMP and margin targets by 2027
GROWTH	1. Turnaround of Highbase		
	2. Explore and Leverage CLQ and RSA		
	3. Transform the Business Development Function		
PRODUCTIVITY	4. Simplification of Business Processes (BPO)		
	5. Leverage Technology to Improve Efficiency and Effectiveness		
WINNING ORGANIZATION	6. Develop and Retain People with the Appropriate GFM Culture		

j) The Way Forward

(i) Assets & Buildings Facilities Services

- FM : Anchored by core projects; Tender for new contracts to replenish FM orderbook.
- Asset concession : Optimise FM services; explore smart partnerships to expand portfolio.

(ii) Highway RSA Facilities Services

- To grow recurring income streams with foray into the Rest and Service Area (“RSA”) business.
- Entitled to multiple sources of revenue upon the completion of RSA.

(iii) Workforce Lodging Facilities Services

- To bid for contracts to maintain and manage its employees’ accommodation.
- Well-positioned to cater to higher adoption of Centralised Labour Quarters by organisations.

(iv) Oil & Gas Facilities Services

- To widen the scope in O&G maintenance via Highbase.
- To increase the stake in Highbase and consolidate earnings.

After the presentation by the Group Managing Director and the Director of Corporate Services, the Chairman continued with the formal business of the Meeting.

7. **TO RECEIVE THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

The Audited Financial Statements for the financial year ended 31 December 2022 together with the Reports of the Directors and Auditors thereon were laid before the Meeting pursuant to Section 340(1)(a) of the Companies Act, 2016.

The Chairman then tabled all the items on the Agenda.

8. **ORDINARY RESOLUTION 1
TO APPROVE THE PAYMENT OF DIRECTORS’ FEES AND BENEFITS PAYABLE UP TO AN AMOUNT OF RM845,000 FOR THE PERIOD FROM 22 JUNE 2023 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD IN 2024**

The Chairman tabled Ordinary Resolution 1 in relation to payment of Directors’ Fees and benefits payable up to an amount of RM845,000 for the period from 22 June 2023 until the next AGM to be held in 2024.

9. **ORDINARY RESOLUTIONS 2, 3 AND 4
RE-ELECTION OF DIRECTORS IN ACCORDANCE WITH CLAUSE 98 OF THE CONSTITUTION OF THE COMPANY**

Ordinary Resolutions 2, 3 and 4 were tabled to seek shareholders' approval for the re-election of Mr. Mohammad Shahrizal Bin Mohammad Idris, Encik Zainal Arifin Bin Khalid and Mr. Yong Hee Kong, who were retiring in accordance with Clause 98 of the Constitution of the Company. They, being eligible, had agreed to offer themselves for re-election.

10. **ORDINARY RESOLUTION 5**
RE-ELECTION OF DIRECTOR IN ACCORDANCE WITH CLAUSE 104 OF THE CONSTITUTION OF THE COMPANY

Ordinary Resolution 5 was tabled to seek shareholders' approval for the re-election of Ms. Tong Jia Wann, who was retiring in accordance with Clause 104 of the Constitution of the Company. She, being eligible, had agreed to offer herself for re-election.

11. **ORDINARY RESOLUTION 6**
TO RE-APPOINT MESSRS. MOORE STEPHENS ASSOCIATES PLT AS AUDITORS OF THE COMPANY FOR THE ENSUING YEAR AND AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION

The Chairman informed the Meeting that Ordinary Resolution 6 is to re-appoint Messrs. Moore Stephens Associates PLT as the Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

The retiring Auditors have expressed their willingness to continue in office.

12. **ORDINARY RESOLUTION 7**
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 Ordinary Resolution 7 is to authorise the Directors to issue and allot shares up to an amount not exceeding ten per centum (10%) of the Company's total number of issued share capital for the time being upon such terms and conditions and for such purposes and to such person or persons as Directors of the Company in their absolute discretion consider to be in the interest of the Company, without having to convene a separate general meeting so as to avoid incurring additional cost and time.

13. **QUESTIONS AND ANSWERS SESSION**

The Chairman proceeded to the Questions and Answers session.

The Chairman informed that there were no questions received from the shareholders during the live-streamed Meeting.

The Chairman declared that the Audited Financial Statements for the financial year ended 31 December 2022 together with the Reports of the Directors and Auditors thereon be taken as duly received pursuant to Section 340(1)(a) of the Companies Act, 2016.

Ordinary Resolutions 1 to 7 were duly proposed and seconded by Encik Ruslan Bin Nordin and Encik Mohammad Shahrizal Bin Mohammad Idris, the directors and shareholders of the Company and put forth by the Chairman for voting by poll upon the completion of the remaining business of the Meeting.

14. **ANY OTHER BUSINESS**

The Company Secretary confirmed that no notice was received to transact any other business at the Meeting.

15. **POLLING / VOTING SESSION**

The Chairman then proceeded to conduct the poll. Upon the request of the Chairman, the Company Secretary briefed the shareholders on the polling procedures.

The Company Secretary then invited all the members present to cast their votes.

The Meeting was adjourned at 10.42 a.m. for the counting of votes.

16. **ANNOUNCEMENT OF POLL RESULTS**

The Chairman called the Meeting to order at 11.02 a.m. for the declaration of the poll results. The Chairman informed the Meeting that he had received the poll results which have been verified by the Independent Scrutineers.

The poll results which were verified by the Independent Scrutineers, Niche & Milestones International Sdn. Bhd., were presented to the members as follows:-

Resolutions	Voted For		Voted Against		Results
	No. of Shares	%	No. of Shares	%	
<u>Ordinary Resolution 1</u> To approve the payment of Directors' Fees and benefits payable up to an amount of RM845,000 for the period from 22 June 2023 until the next Annual General Meeting of the Company to be held in 2024.	335,859,972	99.8921	362,820	0.1079	Carried
<u>Ordinary Resolution 2</u> To re-elect Mr. Mohammad Shahrizal Bin Mohammad Idris as the Director who is retiring in accordance with Clause 98 of the Constitution of the Company.	234,441,145	99.8997	235,289	0.1003	Carried
<u>Ordinary Resolution 3</u> To re-elect Encik Zainal Arifin Bin Khalid as the Director who is retiring in accordance with Clause 98 of the Constitution of the Company.	336,074,503	99.9300	235,289	0.0700	Carried
<u>Ordinary Resolution 4</u> To re-elect Mr. Yong Hee Kong as the Director who is retiring in accordance with Clause 98 of the Constitution of the Company.	336,012,507	99.9294	237,285	0.0706	Carried

Resolutions	Voted For		Voted Against		Results
	No. of Shares	%	No. of Shares	%	
<u>Ordinary Resolution 5</u> To re-elect Ms. Tong Jia Wann as the Director who is retiring in accordance with Clause 104 of the Constitution of the Company.	336,072,507	99.9294	237,285	0.0706	Carried
<u>Ordinary Resolution 6</u> To re-appoint Messrs. Moore Stephens Associates PLT as Auditors of the Company for the ensuing year and authorise the Directors to fix their remuneration.	336,299,307	99.9969	10,485	0.0031	Carried
<u>Ordinary Resolution 7</u> Authority for Directors to issue and allot shares in the Company pursuant to Sections 75 and 76 of the Companies Act, 2016.	335,922,072	99.9144	287,820	0.0856	Carried

Based on the poll results, the Chairman declared that all the seven (7) Ordinary Resolutions as set out in the Notice were duly carried.

It was **RESOLVED:-**

ORDINARY RESOLUTION 7

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

THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 and the approvals of the relevant government and/or regulatory authorities, the Directors of the Company 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 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 percent (10%) of the total number of issued shares of the Company for the time being, subject always to the approval of all relevant regulatory bodies being obtained for such allotment and issue.

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/they may consider necessary, expedient or in the interest of the Company to give effect to the aforesaid mandate.

AND FURTHER THAT pursuant to Section 85 of the Companies Act, 2016 read together with Clause 53 of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company and to offer new shares arising from the issuance and allotment of the new shares pursuant to Sections 75 and 76 of the Companies Act, 2016 **AND THAT** the Board of Directors of the Company is exempted from the obligation to offer such new shares first to the existing shareholders of the Company.

17. **TERMINATION**

There being no other business to be transacted, the Meeting terminated at 11.04 a.m. with a vote of thanks extended to the Chair.

**CONFIRMED AS THE CORRECT RECORD
OF THE PROCEEDINGS THEREAT**

CHAIRMAN

Date: