



## **FELDA GLOBAL VENTURES HOLDINGS BERHAD**

Company No. : 800165-P  
(Incorporated in Malaysia)

SUMMARY OF MINUTES OF THE NINTH ("9TH") ANNUAL GENERAL MEETING OF FELDA GLOBAL VENTURES HOLDINGS BERHAD HELD AT BANQUET HALL 1, LEVEL B2, MENARA FELDA, PLATINUM PARK, NO. 11, PERSIARAN KLCC, 50088 KUALA LUMPUR ON THURSDAY, 24 MAY 2017 AT 11.00 A.M.

---

### **1 CHAIRMAN'S WELCOMING ADDRESS**

The meeting commenced with a recitation of doa. The master of ceremony introduced the Board of Directors and Senior Management present, to the members of the floor. Tan Sri Haji Mohd Isa Dato' Haji Abdul Samad, Chairman of the Board of Directors of Felda Global Ventures Holdings Berhad ("FGV" or "the Company"), presided as Chairman of the meeting. He then welcomed all present at the 9th Annual General Meeting of FGV.

### **2 QUORUM OF MEETING**

The Chairman informed that the requisite quorum was sufficient to convene the 9th Annual General Meeting of FGV in accordance with Article 58 of the Articles of Association of the Company and thereafter, called the meeting to order.

### **3 NOTICE OF MEETING**

The Chairman informed that the Notice to convene the 9th Annual General Meeting of FGV had been distributed to the shareholders together with the Annual Integrated Report 2016 and Circular to shareholders on 26 April 2017. With the consent of the shareholders present at the meeting, the Notice to convene the 9th Annual General Meeting of FGV was taken as read.

The Chairman then provided the guideline on the conduct of the 9th Annual General Meeting of FGV and informed that the voting would be conducted by poll through electronic voting ("e-Polling").

The Chairman informed that the e-Polling process would commence after all the resolutions of the meeting had been dealt with. He then declared that the registration will be closed when the e-Polling process commenced to give ample time and provide opportunity for the late comers to register and join the meeting.

### **4 PRESENTATION OF THE COMPANY'S PERFORMANCE REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

The Company's Group President/Chief Executive Officer, Dato' Zakaria Arshad proceeded to present the Company's Performance Report for the financial year ended 31 December 2016.

## 5 QUESTIONS AND ANSWERS SESSION

Before proceeding with the meeting agenda, the Chairman invited FGV's Group Chief Financial Officer, Tn. Haji Ahmad Tifli Dato' Haji Mohd Talha to present the questions received from Minority Shareholders Watchdog Group ("MSWG") together with the answers.

The Chairman then continued the meeting by inviting shareholders, proxies and corporate representatives to raise questions in relation to the Performance Report for the financial year ended 31 December 2016 or questions relating to FGV Group's business or questions which relates to any items on the Agenda or to the business being dealt with at this meeting. Upon addressing those questions, the meeting proceeded with the agenda of the meeting. The question and answer session was recorded as per "Annexure".

## 6 MEETING AGENDA

The Company's Audited Financial Statements for the financial year ended 31 December 2016 together with the Reports of the Directors and Auditors thereon as tabled at the 9th Annual General Meeting of FGV was received and adopted.

The Chairman exercised his powers conferred under Article 62 of the Articles of Association of the Company, by demanding poll for all resolutions as stated in the Notice of the 9th Annual General Meeting of FGV dated 26 April 2017 as follows :

RESOLUTION	AGENDA
Ordinary Resolution 1	To approve the payment of a Final Dividend of 1 sen per ordinary share, under the single-tier system, in respect of the financial year ended 31 December 2016
Ordinary Resolution 2	To re-elect Dato' Yahaya Abd Jabar as Director who retires by rotation in accordance with Article 88 of the Company's Articles of Association and who, being eligible, offers himself for re-election
Ordinary Resolution 3	To re-elect Datuk Dr. Omar Salim as Director who retires by rotation in accordance with Article 88 of the Company's Articles of Association and who, being eligible, offers himself for re-election
Ordinary Resolution 4	To re-elect Dato' Mohamed Suffian Awang as Director who retires by rotation in accordance with Article 88 of the Company's Articles of Association and who, being eligible, offers himself for re-election
Ordinary Resolution 5	To approve the payment of Directors' Fees amounting to RM2,937,198.17 in respect of the financial year ended 31 December 2016
Ordinary Resolution 6	To approve the payment of a portion of Directors' Fees payable up to an amount of RM957,600.00, from 1 January 2017 until the next Annual General Meeting of the Company
Ordinary Resolution 7	To approve the payment of benefits payable to the Non-Executive Chairman and Non-Executive Directors up to an amount of RM4,200,000.00, from 1 January 2017 until the next Annual General Meeting of the Company
Ordinary Resolution 8	To re-appoint Messrs. PricewaterhouseCoopers as Auditors of the Company for the financial year ending 31 December 2017 and to authorise the Directors to fix their remuneration
Ordinary Resolution 9	Proposed renewal of shareholders' mandate for the existing recurrent related party transactions of a revenue or trading nature for FGV and its Group of Companies ("FGV Group") and proposed shareholders' mandate for the new recurrent related party transactions of a revenue or trading nature for the FGV Group
Ordinary Resolution 10	Authority to Directors to allot and issue shares pursuant to Section 75 of the Companies Act, 2016

The Chairman informed that the Company Secretary had not received any notice to table and discuss other ordinary business for this meeting.

After all the business of the meeting had been dealt with, the Chairman announced that the e-Polling process will commence as demanded.

He then declared that the registration for attendance at the 9th Annual General Meeting of FGV is closed. The Company Secretary then continued with the proceeding and explained the procedures for an e-Polling. Upon completion of the e-Polling process, the Company Secretary handed over the proceedings to the Chairman.

The Chairman then announced the poll results for all the resolutions which was given by the Poll Administrator, Symphony Share Registrars Sdn Bhd and validated by the Independent Scrutineers, Messrs. Deloitte Enterprise Risk Services Sdn Bhd as follows :

9TH ANNUAL GENERAL MEETING OF FGV	FOR		AGAINST	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution No. 1	2,188,731,823	99.9599	878,000	0.0401
Ordinary Resolution No. 2	2,176,963,066	99.4534	11,963,657	0.5466
Ordinary Resolution No. 3	1,778,420,980	81.2463	410,505,743	18.7537
Ordinary Resolution No. 4	2,187,046,435	99.9141	1,880,288	0.0859
Ordinary Resolution No. 5	2,187,693,523	99.9721	609,500	0.0279
Ordinary Resolution No. 6	2,187,694,423	99.9722	608,600	0.0278
Ordinary Resolution No. 7	2,188,553,523	99.9726	600,500	0.0274
Ordinary Resolution No. 8	2,189,582,623	99.9987	28,000	0.0013
Ordinary Resolution No. 9	961,136,531	95.6079	44,153,000	4.3921
Ordinary Resolution No. 10	1,736,151,531	79.2904	453,458,992	20.7096

The Chairman then declared that all the resolutions have been approved.

## 7 CONCLUSION

The Chairman thanked the members present at the 9th Annual General Meeting of FGV and declared the 9th Annual General Meeting of FGV ended at 1.50 p.m.

**FELDA GLOBAL VENTURES HOLDINGS BERHAD**

Company No: 800165-P  
(Incorporated in Malaysia)

**Question and Answer Session with the Shareholders and Proxies during the 9th Annual General Meeting of Felda Global Ventures Holdings Berhad (“FGV” or “Company”) held at Banquet Hall 1, Level B2, Menara Felda, Platinum Park, No. 11, Persiaran KLCC, 50088 Kuala Lumpur on 25 May 2017 at 11.00 a.m.**

NO.	RAISED BY / ANSWERED BY	QUESTION (Q) AND ANSWER (A)	
1.	<p>Raised by : Ms. Linnert Hoo, proxy for Minority Shareholder’s Watchdog Group (“MSWG”)</p> <p>Answered by : YB Tan Sri Haji Mohd Isa Dato' Haji Abdul Samad, Chairman</p>	<p>Q1</p> <p>A1</p>	<p>Ms. Linnert Hoo enquired, based on the answer from FGV to Question 1 from MSWG under the heading Corporate Governance and Sustainability as per below, what is the optimum size of the composition of FGV’s Board of Directors based on the current business, future business plan and peers within the same industry?</p> <p><i>The Board of FGV has identified the need to improve gender diversity and will continue its efforts to seek female candidates to take up Board positions in order to reach at least 30% female representation on the Board. The Board may consider to appoint another two (2) or three (3) female Directors in the next twelve (12) months to fulfil the requirements of the Malaysian Code on Corporate Governance 2017.</i></p> <p>The Chairman informed that the answer from FGV to Question 1 from MSWG under the heading Corporate Governance and Sustainability is only a plan. He then informed, the Board of Directors may consider in the near future, the appointment of female directors on the Board.</p>
2.	<p>Raised by : En. Ng Soo Har @ Ng Seet Kow, shareholder</p>	Q1	<p>En. Ng Soo Har @ Ng Seet Kow enquired, following the signing of the agreement between Malaysia and China recently, what would be the impact on FGV’s business in the next three (3) to ten (10) years?</p>

NO.	RAISED BY / ANSWERED BY	QUESTION (Q) AND ANSWER (A)	
	<p>Answered by :  YB Tan Sri Haji Mohd Isa  Dato' Haji Abdul Samad,  Chairman, and  YBhg. Dato' Zakaria Arshad,  Group President/Chief  Executive Officer</p>	A1	<p>The Chairman explained that the agreement will create business opportunities for FGV to penetrate the China market.</p> <p>The Group President/Chief Executive Officer added that presently, FGV exports to China about 300,000 metric tonnes of palm oil per year. He informed with the collaboration, FGV expects the quantity of palm oil supply to China to be increased by another 150,000 metric tonnes to 300,000 metric tonnes per year.</p>
3.	<p>Raised by :  Tn. Syed Salim Syed Abu Bakar, shareholder</p> <p>Answered by:  YBhg. Dato' Zakaria Arshad,  Group President/Chief  Executive Officer</p>	<p>Q1</p> <p>Q2</p> <p>A1 &amp; A2</p>	<p>Tn. Syed Salim Syed Abu Bakar referred to page 34 of the 2016 Annual Integrated Report regarding operation statics. He expressed that based on the graph, the production rate and yield of fresh fruit bunches ("FFB") has declined from 2014 to 2016. He enquired whether the reduction of FFB was solely due to the El Nino and La Nina effect and enquired what would be the measures to manage the environmental factors?</p> <p>Tn. Syed Salim Syed Abu Bakar then referred to page 14 of the 2016 Annual Integrated Report regarding the increase in market of vegetable oils and fats. He informed that based on the graph, the demand for vegetable oils and fats appears to be increasing in the market. He enquired as to how FGV would be able to fullfil the increasing demand for vegetable oils and fats, whereas, production and yield for FFB is diminishing.</p> <p>The Group President/Chief Executive Officer clarified that 2016 was a tough year for FGV because of the El Nino. However, for 2017 FGV forecasted the production of FFB will increase to 4.5 million metric tonnes. He also informed that there was a 3% increase in FFB production in the first quarter of this year.</p>

NO.	RAISED BY / ANSWERED BY	QUESTION (Q) AND ANSWER (A)	
	<p>Raised by : Tn. Syed Salim Syed Abu Bakar, shareholder</p> <p>Answered by : YBhg. Dato' Zakaria Arshad, Group President/Chief Executive Officer</p> <p>Raised by : Tn. Syed Salim Syed Abu Bakar, shareholder</p> <p>Answered by : YBhg. Dato' Zakaria Arshad, Group President/Chief Executive Officer</p> <p>Raised by : Tn. Syed Salim Syed Abu Bakar, shareholder</p> <p>Answered by : En. Mohamad Amri Sahari @ Khuzari, Head of Sugar Sector</p>	<p>Q3</p> <p>A3</p> <p>Q4</p> <p>A4</p> <p>Q5</p> <p>A5</p>	<p>Tn. Syed Salim Syed Abu Bakar then referred to page 35 of the 2016 Annual Integrated Report where FGV targets to increase FFB production to 6.25 million metric tonnes by the year 2020 from 3.91 million metric tonnes in 2016. He expressed that it does not look achievable, considering FGV's FFB production and yield has decreased. He enquired, how can FGV assure of achieving the FFB targeted production in the next three (3) years?</p> <p>The Group President/Chief Executive Officer informed that FGV's Management will ensure that the target to increase FFB production to 6.25 million metric tonnes by the year 2020 is achieved.</p> <p>Tn. Syed Salim Syed Abu Bakar then highlighted that FFB is FGV's core business and proposed to establish a specific committee to monitor the FFB production as well as monitor FGV's performance against the target/budget.</p> <p>The Group President/Chief Executive Officer clarified that FGV has an Executive Committee ("EXCO") that monitors the FFB production as well as FGV's performance against the target/budget on a quarterly basis.</p> <p>Tn. Syed Salim Syed Abu Bakar expressed that the performance of the Company has not been satisfactory for the past three (3) years from 2014 to 2016. He enquired, how does the Company ensure FGV's profitability meet the yearly performance target?</p> <p>The Head of Sugar Sector explains that FGV's revenue had increased as much as 15%, however, FGV's profit was affected by the lesser profit contribution from MSM due to the increase in raw sugar price of more than 70% and the depreciation of Ringgit Malaysia exceeding 20%. He further informed that the sale price of sugar is capped at a fixed price by the Government.</p>

NO.	RAISED BY / ANSWERED BY	QUESTION (Q) AND ANSWER (A)	
4.	<p>Raised by : Pn. Aida S. Kadir, proxy of Malaysian National Reinsurance Berhad</p> <p>Answered by : Pn. Koo Shuang Yen, Company Secretary dan Tn. Haji Ahmad Tifli Dato' Haji Mohd Talha, Group Chief Financial Officer</p>	<p>Q1</p> <p>A1</p>	<p>Pn. Aida S. Kadir referred to page 103 of the 2016 Annual Integrated Report regarding the Directors' remuneration of RM7.6 million. She highlighted that there was an increase of Directors' remuneration of RM1.6 million for the year 2016 compared to the year 2015. She stated that the high amount of Directors' remuneration does not commensurate with the decreased amount of dividend from two (2) sen in year 2015 to one (1) sen in year 2016.</p> <p>The Company Secretary informed, the comparison of Directors' remuneration for the year 2016 and the year 2015 can be referred to at page 222 to 223 of the 2016 Annual Integrated Report. She clarified that the Directors Remuneration for the Group for the year 2016 of RM7.6 million was lower as compared to RM9.1 million for the year 2015.</p> <p>The Company Secretary highlighted that this is a result of FGV having restated the total of non-monetary benefit for the year 2015 in accordance with the implementation of the Companies Act, 2016 where fee, non-monetary benefit and any interest paid to the Directors of listed companies and its subsidiaries need to seek its shareholders' approval.</p> <p>The Group Chief Financial Officer clarified that the dividend payment is based on the rate of at least 50% of the profit after tax and minority interest. He informed that the Company's profit for the year 2016 was badly affected due to several factors, therefore, the amount of dividend for the year 2016 is less compared to the year 2015.</p>
5.	<p>Raised by : En. Kasmuri Sukardi, shareholder</p>	<p>Q1</p>	<p>En. Kasmuri Sukardi enquired as to the average sustainable age of palm trees in the long term in order to achieve the production target of 4.5 million metric tonnes of FFB for the year 2017.</p> <p>He also enquired the average sustainable age of palm trees in the long term, after the year 2020 after taking into account climate and cycle changes.</p>

NO.	RAISED BY / ANSWERED BY	QUESTION (Q) AND ANSWER (A)	
	<p>Answered by : En. Palaniappan MS Swaminathan, Chief Operating Officer of Plantation Cluster</p> <p>Raised by : En. Kasmuri Sukardi, shareholder</p> <p>Answered by : En. Palaniappan MS Swaminathan, Chief Operating Officer of Plantation Cluster</p>	<p>A1</p> <p>Q2</p> <p>A2</p>	<p>The Chief Operating Officer of Plantation Cluster clarified that the average sustainable age of palm trees in the long term is between twelve (12) to thirteen (13) years.</p> <p>He explained that when the lands were received from FELDA, there are nearly 53% of palm trees aged above twenty five (25) years old. He stated that FGV had aggressively executed the replanting process of palm trees of fifteen thousand (15,000) hectares per year, and as a result, the FFB production and yield dropped.</p> <p>He informed that climate factors also impacted FFB production. He stated that a similar situation occurred in the year 1998 where the FFB yield dropped to between 10% to 20%. He explained that this situation does not only occur in Malaysia but also in Indonesia, which recorded a decrease in FFB yield of up to 30% to 40%.</p> <p>He stated however, with the aggressive replanting process of palm trees, Management is positive that FGV may be able to achieve the targeted FFB production of 6.25 million metric tonnes by the year 2020.</p> <p>En. Kasmuri Sukardi highlighted that the Malaysian Sustainable Palm Oil ("MSPO") is made mandatory to be adopted by the year 2019. He took note that FGV plans to apply for re-certification from the Roundtable Sustainability Palm Oil ("RSPO"). He enquired how many FGV estates will be affected by the RSPO and the risk FGV will face to be recognized by MSPO.</p> <p>The Chief Operating Officer of Plantation Cluster explained that fifty nine (59) out of seventy two (72) mill complex have already adopted MSPO and by the year end 2017, FGV will try to fully adhere to the MSPO requirement.</p>



NO.	RAISED BY / ANSWERED BY	QUESTION (Q) AND ANSWER (A)	
6.	<p>Raised by : En. Daud Amatzin, shareholder and FELDA' s former employee</p> <p>Answered by : YB Tan Sri Haji Mohd Isa Dato' Haji Abdul Samad, Chairman</p> <p>Raised by : En. Daud Amatzin, shareholder and FELDA' s former employee</p> <p>Answered by : YBhg. Dato' Zakaria Arshad, Group President/Chief Executive Officer</p> <p>Raised by : En. Daud Amatzin, shareholder and FELDA' s former employee</p>	<p>Q1</p> <p>A1</p> <p>Q2</p> <p>A2</p> <p>Q3</p>	<p>En. Daud Amatzin referred to page 310 dan 329 of the 2016 Annual Integrated Report.</p> <p>He stated that the Kanun Tanah Sarawak is to be replaced with Ordinan Tanah Sarawak, <i>Tanah Pribumi</i> is to be replaced with <i>Hak Adat Pribumi</i> or <i>Tanah Adat Pribumi</i>, Kementerian Dalam Negeri is to be replaced with Kementerian Perdagangan Dalam Negeri Koperasi dan Kepenggunaan.</p> <p>The Chairman thanked En. Daud Amatzin for the comments given.</p> <p>En. Daud Amatzin referred to page 334 of the 2016 Annual Integrated Report regarding the manipulation of Financial Statement done by Management of Felda Iffco Gida Sanayi which resulted in fraud losses of RM105,884,000. He enquired what actions were taken to penalise the person(s) responsible for the fraud?</p> <p>The Group President/Chief Executive Officer stated that a police report has been made on the fraud losses and monthly meetings are now conducted between Management and Joint Venture partners on the outcome of the case.</p> <p>He stated, other than that, the Accountant who look into the accounts and the day to day operations of Felda Iffco Gida Sanayi has been replaced.</p> <p>The Group President/Chief Executive Officer further added that 75% of the total loss recorded is covered by insurance.</p> <p>En. Daud Amatzin informed that he appreciated the amount of information reflected in the 2016 Annual Integrated Report, Malay and English version (366 pages) but opined that it was too thick and suggested that Management reduce the number of pages to around 200 for the following year's Annual Integrated Report.</p>

NO.	RAISED BY / ANSWERED BY	QUESTION (Q) AND ANSWER (A)	
	<p>Answered by : YB Tan Sri Haji Mohd Isa Dato' Haji Abdul Samad, Chairman</p>	J3	<p>He also expressed that page 32 of the 2016 Annual Integrated Report should highlight performance achievements of the Palm Upstream Cluster for the year 2016 and not the list of top performing estates and mills.</p> <p>He also highlighted that page 64 the 2016 Annual Integrated Report does not display well the picture of En. Palaniappan MS Swaminathan.</p> <p>The Chairman thanked En. Daud Amatzin for the comments given.</p>
7.	<p>Raised by : Ms. Linnert Hoo, proxy for MSWG</p> <p>Answered by : Tn. Haji Ahmad Tifli Dato' Haji Mohd Talha, Group Chief Financial Officer</p>	Q1  A1	<p>Ms. Linnert Hoo duly noted that crude palm oil price is FGV's main risk. She enquired what would be the break-even point of crude palm oil price and cost of crude palm oil production for the Plantation Cluster.</p> <p>The Group Chief Financial Officer informed that currently the cost of crude palm oil production is RM1,500/MT and stated that the cost is anticipated to decrease in future.</p>