



ALAM MARITIM RESOURCES BERHAD (700849-K)
(Incorporated in Malaysia)

MINUTES OF THE NINTH ANNUAL GENERAL MEETING

DATE : 27 JUNE 2014 (FRIDAY)
TIME : 10.00 A.M.
VENUE : SIME DARBY CONVENTION CENTRE 1A
JALAN BUKIT KIARA 1
60000 KUALA LUMPUR

PRESENT

1. Puan Fina Norhizah binti Haji Baharu Zaman - *Chairman pursuant to Article 122 of the Company's Articles of Association.*
2. Datuk Azmi bin Ahmad - *Group Chief Executive Officer*
3. Encik Shahrudin bin Warno @ Rahmad - *Group Chief Operating Officer*
4. Encik Ahmad Hassanudin bin Ahmad Kamaluddin
5. Dato' Haji Ab Wahab bin Haji Ibrahim
6. Encik Mohd Abd Rahman bin Mohd Hashim

IN ATTENDANCE

Fatan Hamamah Khalid (MAICSA 7039265) - *Company Secretary*

SHAREHOLDERS PRESENT

As per the attendance list [Total: 87 representing 617,909 Ordinary shares of RM1.00 each or 0.06% of the total shareholdings]

PROXIES PRESENT

As per the attendance list [Total: 114 representing 544,806,757 ALAM shares or 58.91% of the total shareholdings of which 53,627,591 represented by Chairman]

The Company Secretary with the permission of the Meeting invited Yg Berusaha Ustaz Mohd Jaafarudin Bin Md Ali Al-Hafiz to recite the doa.

The Company Secretary with the permission of the Meeting informed that Dato' Captain Ahmad Sufian @ Qurnain bin Abdul Rashid has resigned as Chairman and Director on 1 January 2014. The Company Secretary further informed that pursuant to Article 122 of the Company's Articles of Association, the Board has appointed Puan Fina Norhizah binti Haji Baharu Zaman who is an Independent and Non-Executive Director as Chairman for this meeting.

1. CHAIRMAN'S REMARK

The Chairman addressed the shareholders and all attendees to the Company's Ninth AGM with a warm welcome.

The Chairman then took the opportunity to introduce the Board Members and Management to the shareholders and then called the meeting to order.

2. QUORUM

As confirmed by the Secretary and in pursuant to Article 72 of the Company's Articles of Association, the requisite quorum being present, the Chairman declared the meeting duly convened.

3. NOTICE OF MEETING

The Chairman informed that the notice convening the Ninth AGM was announced to Bursa Malaysia on 2 June 2014 and advertised in the New Straits Time on the 5 June 2014. The Notice can also be found in the Company's 2013 Annual Report sent out to the shareholders on 2 June 2014. The meeting took note of the notice of meeting.

4. PROCEDURES FOR TABLING AND APPROVING RESOLUTIONS

The Chairman read through the correct procedure for tabling and approving the resolutions to guide the shareholders and proxies who wish to vote at the meeting.

5. PRESENTATION BY GROUP CHIEF FINANCIAL OFFICER

The Chairman, invited the Group Chief Financial Officer ("GCFO") to give a presentation. The GCFO shared his presentation on the FY2013 Financial Results, covering, inter-alia, the following:-

- The Company's Revenue decreased by RM54.9 million or 10.9% to RM447.4 million due to lower contribution from OIC/Subsea segment.
- The net profit of the Company for the year increased by 33.7% to RM74.5 million mainly due to the contribution from OSV segment.
- OSV utilisation increased significantly from 78% : 2012 to 85% : 2013.
- The Group total order book is RM1.3 billion with earnings visibility of 3-5 years.
- During the year, the Group acquired the remaining 30% equity interest in Alam Hidro (M) Sdn Bhd ("AHSB") (Subsea division), making AHSB a wholly owned subsidiary.
- On 6 June 2014, the Group had issued new ordinary shares of 15% placement to raise approximately RM166.0 million for debts repayment and expansion plan.

ORDINARY RESOLUTION 1

6. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

Before putting forward the proposal to receive the Audited Financial Statements FYE 31 December 2013, the Chairman guided the meeting through the questionnaires received from the Minority Shareholders Watchdog Group.

The detailed questions and answers were annexed to these minutes as Annexure 1, for reference.

The meeting then proceeded with the resolution on the first agenda. It was proposed by Cik Sheblyn Hasnira binti Abdul Majid and seconded by Mr Saw Eng Choon.

The meeting unanimously **RESOLVED**:

THAT the Audited Financial Statements for the financial year ended 31 December 2013 and the Reports of the Directors and Auditors be hereby received.

ORDINARY RESOLUTION 2

7. RE-ELECTION OF RETIRING DIRECTORS IN ACCORDANCE WITH ARTICLE 94 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY

7.1 RE-ELECTION OF ENCIK SHAHARUDDIN BIN WARNO @ RAHMAD PURSUANT TO ARTICLE 94

The motion was proposed by Cik Nur Ain binti Atan and seconded by Cik Nur Adrikah binti Mohd Anuar.

By show of hand, the meeting unanimously **RESOLVED**:

THAT Encik Shaharuddin Bin Warno @ Rahmad be re-elected as Director in accordance with Article 94 of the Company's Articles of Association.

The Chairman went on to next resolution as per the notice.

ORDINARY RESOLUTION 3

7.2 RE-ELECTION OF ENCIK AHMAD HASSANUDIN BIN AHMAD KAMALUDDIN PURSUANT TO ARTICLE 94

The motion was proposed by Puan Aznozihan binti Ayub and seconded by Cik Ernie Shamira binti Abdul Rahman.

By show of hand, the meeting unanimously **RESOLVED**:

THAT Encik Ahmad Hassanudin Bin Ahmad Kamaluddin be re-elected as Director in accordance with Article 94 of the Company's Articles of Association.

ORDINARY RESOLUTION 4

8. DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

The resolution was proposed by Mr Saw Eng Choon and seconded by Encik Mohd Syazwan bin Sallehuddin.

By show of hand, the meeting unanimously **RESOLVED**:-

THAT the Directors' Fees for the financial year ended 31 December 2013 be approved.

ORDINARY RESOLUTION 5

9. RE-APPOINTMENT OF MESSRS ERNST & YOUNG TO ACT AS AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR ENDING 2014 AND TO AUTHORISE THE DIRECTORS' TO FIX THEIR REMUNERATION

The resolution was proposed by Cik Nur Adrikah binti Mohd Anuar and seconded by Encik Mohd Hifzan bin Hamdun.

By show of hand, the meeting unanimously **RESOLVED**:-

THAT Messrs Ernst & Young be re-appointed as Auditors of the Company for the financial year ending 2014 until the conclusion of the next annual general meeting **AND THAT** the Directors be and are hereby authorised to fix their remuneration.

ORDINARY RESOLUTION 6

10. AUTHORITY UNDER SECTION 132D OF THE COMPANIES ACT, 1965 FOR DIRECTORS TO ALLOT AND ISSUE SHARES IN THE COMPANY

The resolution was proposed by Puan Nuranisma binti Ahmad and seconded by Puan Nur Aznita binti Taip.

By show of hand, the majority **RESOLVED**:-

THAT pursuant to Section 132D of the Companies Act, 1965, Articles of Association of the Company and the Listing Requirements of the Bursa Malaysia, the Directors be and are hereby empowered to issue shares in the Company at any time at such price and upon such terms and conditions and for such purposes and to such person or persons whomsoever as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares so issued does not exceed 10% of the issued capital of the Company for the time being and the Directors be and are also empowered to obtain the approval of the Bursa Malaysia for listing of and quotation for the additional shares so issued and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.

ORDINARY RESOLUTION 7

11. AUTHORITY TO PURCHASE THE COMPANY'S OWN SHARES IN ACCORDANCE WITH SECTION 67A OF THE ACT

The resolution was proposed by Cik Sheblyn Hasnira binti Abdul Majid and was seconded by Cik Wan Hanis Umairah binti Meor Abdul Jalil.

By show of hand, the meeting unanimously **RESOLVED**:-

THAT subject to Section 67A of the Companies Act, 1965 (the Act), the provisions of the Memorandum and Articles of Associations of the Company, the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Malaysia Securities), and the approvals of the relevant regulatory authorities, the Directors of the Company be and are hereby authorised to make purchase(s) of ordinary shares of RM0.25 each in the Company's issued and paid-up share capital on Bursa Malaysia Securities subject to the following:

- i. the maximum number of shares which may be purchased and/or held by the Company shall be equivalent to 10% of the issued and paid-up share capital of the Company (Shares) for the time being;
- ii. the maximum fund to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the aggregate retained profits and share premium account of the Company;
- iii. the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and shall be in force until:
 - (a) at the conclusion of the next Annual General Meeting (AGM) of the Company; or
 - (b) upon the expiration of the period within which the next AGM is required by the law to be held; or
 - (c) revoked or varied by an ordinary resolution passed by the shareholders of the Company in general meeting,whichever is earlier; and
- iv. upon the completion of the purchase(s), the Directors are authorised to deal with the Shares so purchased in the manner they may deem fit in the best interest of the Company;

AND THAT the Directors of the Company be and are hereby authorised to take necessary steps to fully implement the purchase(s) of the Shares with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to do all such acts and things as they may deem fit in the best interest of the Company."

ORDINARY RESOLUTION 8

12. AUTHORITY TO INCREASE THE AUTHORISED SHARE CAPITAL OF THE COMPANY

The resolution was proposed by Cik Nur Ain binti Atan and was seconded by Cik Nur Adrikah binti Mohd Anuar.

By show of hand, the meeting unanimously **RESOLVED**:-

THAT the authorised share capital of the Company be and is hereby increased from RM250,000,000 comprising 1,000,000,000 AMRB Shares to RM500,000,000 comprising 2,000,000,000 AMRB Shares by the creation of an additional 1,000,000,000 new AMRB Shares.

THAT the Board be and is hereby authorised to do all such acts and things that are necessary to give full effect to the Proposed Increase in Authorised Share Capital.

AND THAT in consequence thereof, the Memorandum & Articles of Association of the Company and all other relevant documents be and are hereby amended accordingly.

SPECIAL RESOLUTION 1

13. AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF AMRB

The resolution was proposed by Puan Aznozihan binti Ayub and was seconded by Cik Ernie Shamira binti Abdul Rahman.

By show of hand, the meeting unanimously **RESOLVED**:-

THAT, subject to the passing of Ordinary Resolution 8 above and the approvals of the relevant authorities (where required) being obtained, approval be and is hereby given for the Memorandum & Articles of Association to be altered, modified, varied and deleted in the following manner and that any Director be and is hereby authorised to give effect to the Proposed Amendments and to take all steps and do all acts and things in any manner as they may deem necessary to complete, finalise, implement and give full effect to the Proposed Amendments:-

Memorandum of Association	Existing	Proposed change
Clause 5	The authorised share capital of the Company is Ringgit Malaysia Two Hundred Fifty Million (RM250,000,000) divided into One Billion (1,000,000,000) Ordinary Shares of RM0.25 each.	The authorised share capital of the Company is Ringgit Malaysia Five Hundred Million (RM500,000,000) divided into Two Billion (2,000,000,000) Ordinary Shares of RM0.25 each.
Articles of Association	Existing	Proposed Change
Article 3	The authorised share capital of the Company is RM250,000,000 divided into 1,000,000,000 Ordinary Shares of RM0.25 each.	The authorised share capital of the Company is Ringgit Malaysia Five Hundred Million (RM500,000,000) divided into 2,000,000,000 Ordinary Shares of RM0.25 each

14. TERMINATION

There being no other business, the meeting terminated at 10.30 a.m. with a note of thanks to the Chair.

Confirmed as correct,

FINA NORHIZAH BINTI HAJI BAHARU ZAMAN
Chairman

Date :

ANNEXURE 1

MSWG Q1	:	<p>It was stated in the Managing Director's Statement that 31 out of 44 vessels are tied to long term contracts.</p> <p>When would the contract of the remaining 13 vessels be expiring and are there any plans to secure long term contracts for these vessels?</p>
Answer Q1	:	<p>The ideal strategy for our Group is to have a mixture of long term and short term contracts based on the proportion of 85% : 15% respectively. Whilst long term contracts provide insulation from potential fluctuation that provides a steady stream of income, contracts running on spot charter basis on the other hand are more attractive in terms of daily charter rate. Most of the vessels are still servicing the contracts and currently waiting for the tender outcome for the next assignment. We expect the results to be announced in Q3 2014.</p> <p>Rest assured, current order book of RM1.3 billion should be able to give us strong earnings visibility for the next 3 -5 years.</p>
MSWG Q2	:	<p>It was stated in Note 34 on page 142 of the Annual Report that the Tribunal's finding on 13 January 2014 was in favour of the owner of the vessel whereby Alam Hidro (M) Sdn. Bhd. has to pay the sum of USD 1,300,457, plus interest on the amount at 1.5% per annum and USD252,335 plus interest on the amount at 2% per month until payment date.</p> <p>Could the Board provide more information on the trade dispute?</p>
Answer Q2	:	<p>We had entered into an agreement to charter a diving support vessel with a foreign party. There were some disputes with regard to the readiness of the vessel and the issuance of the Domestic Shipping License (DSL).</p> <p>The case was brought to arbitration. However the Tribunal decided in favour of the vessel owner and ordered the full payment of the charter hire as per the agreement.</p>
MSWG Q3	:	<p>For the first quarter ended 31 March 2014, the Group recorded revenue of RM79.2 million compared to RM86 million recorded in the preceding quarter. It was reported that this was mainly due to significantly lower revenue registered by the Subsea Services/OIC Segment.</p> <p>(i) What was the reason for the lower revenue recorded by the segment? (ii) What is the Board's expectation on the performance of this segment for the remaining quarters of 2014?</p>
Answer Q3	:	<p>We had successfully secured a subsea contracts in 2013 for the period of 3 years which are based on "call on" basis. Based on client's requirement, the contracts are programmed to be mobilised in the second quarter of 2014. Hence, going forward, the Board are confident that the performance of this segment will improve in the second half of 2014 onwards.</p> <p>In addition, some of the vessels had undergone dry-docking during the first quarter of 2014 that had also affected the Group's performance in the first quarter of 2014.</p>