



MINUTES OF THE 14TH ANNUAL GENERAL MEETING OF THE COMPANY HELD AT LEVEL 11, MENARA MUDAJAYA, NO. 12A, JALAN PJU 7/3, MUTIARA DAMANSARA, 47810 PETALING JAYA, SELANGOR DARUL EHSAN ON THURSDAY, 15 JUNE 2017 AT 2.30 P.M.

PRESENT	:	<u>Board of Directors:</u> Dato' Yusli Bin Mohamed Yusoff (<i>Chairman</i>) James Wong Tet Foh Eric Lee Eng Leong Chew Hoy Ping Wee Teck Nam
SHAREHOLDERS/ PROXIES/GUESTS	:	As per Attendance Lists
IN ATTENDANCE	:	Angelyn Lee (<i>Company Secretary</i>)

1. **CHAIRMAN AND OPENING ADDRESS**

Dato' Yusli Bin Mohamed Yusoff ("**Dato' Chairman**") welcomed all shareholders, proxies and invited guests present and called the Annual General Meeting ("**AGM**") to order.

Dato' Chairman informed the shareholders and proxies that the voting of resolutions at the AGM would be conducted by way of poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. For this purpose, Dato' Chairman exercised his right as Chairman of the Meeting to demand for a poll in accordance with Article 62 of the Company's Articles of Association in respect of all the resolutions which would be put to vote at the AGM.

He further informed that the Company's Share Registrar, Symphony Share Registrars Sdn Bhd was the appointed Poll Administrator to conduct the electronic polling process and Symphony Corporatehouse Sdn Bhd was the appointed Scrutineers to verify the poll results.

2. **QUORUM**

Upon enquiry from Dato' Chairman, the Company Secretary confirmed that there was sufficient quorum for the AGM.

3. **NOTICE OF AGM**

Upon enquiry from Dato' Chairman, the Company Secretary confirmed that the notice convening the AGM had been duly sent to all shareholders. The notice was also announced to Bursa Malaysia Securities Berhad on 27 April 2017 and advertised in the NST newspaper on 28 April 2017.

Upon the proposal by Dato' Chairman and with the consent of the shareholders, the notice was taken as read.



4. PRESENTATION

The Group Managing Director & Chief Executive Officer, Mr James Wong Tet Foh presented an overview of the Group's performance and strategies to the shareholders and proxies. Thereafter, Dato' Chairman invited questions from the floor.

In summary, the questions and comments raised by the shareholders/proxies which were duly responded by Mr James Wong and the Executive Director, Mr Eric Lee were as follows:-

- (1) Encik Mohammed Amin Bin Mahmud enquired on the rationale for the Company's intention to diversify into oil & gas ("**O&G**") business as part of the Group's strategies, given that O&G is a challenging industry.

Mr James Wong clarified that the Group is looking into securing more infrastructure projects related to O&G support facilities as well as operation & maintenance services. He viewed that the Group has expertise in disciplines similar to that of the O&G business such as logistics, warehousing, chemical storage and plants which could be leveraged on.

- (2) Madam Wong Lai Chan commented on the huge losses recorded by the power plant project in India and opined that in view of the uncertainty in the India government, upon completion of the power plant project, she suggested that the power plants be disposed of. The Group should exit from India and venture into other countries in the Asian region.

Mr James Wong gave a brief status of the power plant project in India. Mr Eric Lee also assured the shareholders that the Company would only sell off its investment in India upon securing a good price for the assets and at the right timing.

Dato' Chairman then informed that the Company had received a letter from Minority Shareholder Watchdog Group ("**MSWG**") dated 8 June 2017. Mr James Wong read out the Company's reply to the questions raised by MSWG, which were also displayed on the screen in the meeting hall.

Mr Wong Kin Wing from MSWG thanked the Company for the response to the queries raised by MSWG. He enquired the reasons for the impairment made for the projects and whether there was any due diligence conducted before undertaking the projects; or there were financing issues which had affected the project.

Mr James Wong responded that the impairment in respect of the Tanjung Bin project arose from disputed variation claims between Mudajaya Corporation Berhad and Alstom Power Systems/GE Power Services (Malaysia) Sdn Bhd, relating to ground conditions issue during construction, as well as issues related to insurance claims. He explained that despite the challenges faced, the project completed on time without any liquidated ascertained damages (LAD) being incurred.



On the power plant project in India, the initial delay was due to issues on land acquisition whilst subsequent delays resulted from delayed drawdowns from various financial institutions. He explained that the cost overrun arose from the increase in interest during construction (IDC) and to resolve the matter, Management was seeking to restructure the loans with the financial institutions in India. The main priority is to ensure that the units of power plants become cash generating units. Henceforth, the power plant assets could secure power purchase agreements (“PPA”) to then sell power and generate cash to complete the remaining units. With the completed project, the power plant assets would be able to fetch a better value/selling price for monetising these assets.

Mr Eric Lee clarified that there was no impairment on the power plant project in India. The share of associate’s losses arose from depreciation charges and non-capitalisation of interest cost related to Units 1 & 2.

As there were no further questions from shareholders, Dato’ Chairman proceeded with the agenda proper.

5. AUDITED FINANCIAL STATEMENTS, DIRECTORS’ AND AUDITORS’ REPORTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

The Audited Financial Statements of the Company for the financial year ended 31 December 2016 together with the Directors’ and Auditors’ Reports thereon were tabled to the shareholders.

Dato’ Chairman informed the shareholders that the Audited Financial Statements were required to be laid before the shareholders pursuant to Section 340(1)(a) of the Companies Act 2016 and the Audited Financial Statements did not require a formal approval by the shareholders. Hence, it was not put forward for voting.

Dato’ Chairman invited questions from the floor with regards to the Audited Financial Statements.

- (1) Mr Leo Ann Puat raised a few enquiries in respect of treasury shares, trade and other receivables, profit and loss (“P&L”) performance and impairment, as follows:-
 - (a) Reason for the negative value of treasury shares under the Statements of Financial Position on page 76 of the Annual Report.
 - (b) Factors that attributed to the increase in trade and other receivables in respect of the India project under the Statements of Financial Position on page 76 of the Annual Report.
 - (c) Expected and foreseeable impairments and share of associate’s losses in 2017.

Mr Kang Boon Beng, the Chief Financial Officer responded and provided the clarifications to the above enquiries, as follows:-



- (a) The value of treasury shares was negative due to shares bought back by the Company and if there is cancellation of treasury shares, it would reduce the share capital of the Company.
- (b) On trade and other receivables in respect of the India project, it was an amount owing by a subsidiary for equipment supply for the power plant project under R.K.M Powergen Private Limited (“RKM”), which was mainly the retention sum. When the bank releases its loan financing, RKM would need to pay back to the equipment supplier. The equipment was required to complete the power plant project.

As to the P&L performance, the Group reported high losses mainly due to a few one-off events in 2016 such as impairments on the Manjung and Tanjung Bin projects, as well as share of associate’s losses (i.e. RKM).

For Units 1 & 2 of the RKM’s power plants, no power sales commenced upon achieving the commercial operation date (COD) in 2016. As such, the share of losses recorded in the P&L relates to the depreciation and interest cost for both units. In year 2017, Unit 1 commenced power sales in April and May. As for Unit 2, depreciation and interest cost would continue to impact the Group (non-cash flow impact), as long as no power sales is recorded. Until and unless RKM secures the PPA and commence power sales, RKM would continue to impact the Group negatively.

Other ongoing existing construction projects such as Pengerang and infrastructure projects, have been contributing positively to the P&L of the Group.

For the MRT Line 1 project which had been completed, Management is taking steps to recover the variation claims incurred, the amount of which as shown in the trade receivables.

- (c) There is no impairment projection in 2017. The losses recorded in 2016 was mainly attributable to the share of associate’s losses in RKM.
- (2) Another shareholder enquired as to what comprised in the item of “Change in Pledged Deposits” as stated in the Statements of Cash Flows (under ‘Cash flows from investing activities’) on page 83 of the Annual Report. In response, Mr Eric Lee explained that these relate to performance bonds given by the Group as security for tendering of projects.

With no further questions from the floor on the Audited Financial Statements, Dato’ Chairman proceeded to the next item on the agenda.

6. **ORDINARY RESOLUTION NO. 1**

• **Re-election of Mr Chew Hoy Ping as Director**

Ordinary Resolution 1 on the re-election of Mr Chew Hoy Ping as Director of the Company pursuant to Article 76 of the Company’s Articles of Association, was duly proposed by Ms Goh Guek Chon and seconded by Madam Wong Lai Chan.



7. **ORDINARY RESOLUTION NO. 2**

• **Re-election of Mr Lee Eng Leong as Director**

Ordinary Resolution 2 on the re-election of Mr Lee Eng Leong as Director of the Company pursuant to Article 83 of the Company's Articles of Association, was duly proposed by Madam Wong Lai Chan and seconded by Ms Lim Sui Shian.

8. **ORDINARY RESOLUTION NO. 3**

• **Re-appointment of Mr Wee Teck Nam as Director**

Ordinary Resolution 3 on the re-appointment of Mr Wee Teck Nam as Director of the Company, was duly proposed by Madam Wong Lai Chan and seconded by Ms Har Yuen Heong.

9. **ORDINARY RESOLUTION NO. 4**

• **Payment of Directors' Fees**

Ordinary Resolution 4 on the payment of Directors' fees for the financial year ended 31 December 2016, was duly proposed by Madam Wong Lai Chan and seconded by Encik Mohammed Amin Bin Mahmud.

10. **ORDINARY RESOLUTION NO. 5**

• **Payment of Directors' Remuneration and Benefits**

Ordinary Resolution 5 on the payment of Directors' remuneration and benefits (excluding Directors' fees) to the Non-Executive Directors from 31 January 2017 until the next AGM of the Company, was duly proposed by Ms Ho Soo Siew and seconded by Ms Foo Lai Juan.

11. **ORDINARY RESOLUTION NO. 6**

• **Re-appointment of Messrs KPMG PLT as Auditors**

Dato' Chairman declared that Messrs KPMG, have indicated their willingness to continue in office for the ensuing year until the next AGM.

Ordinary Resolution 6 on the re-appointment of Messrs KPMG PLT as Auditors, was duly proposed by Mr Chia Peng Huang and seconded by Ms Goh Guek Chon.

12. **ORDINARY RESOLUTION NO. 7**

• **Authority to Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016**

Dato' Chairman explained that Ordinary Resolution 7 is to empower the Directors to issue shares in the Company up to 10% of the total issued shares of the Company in order to avoid any delay and costs involved in convening a general meeting to approve such issue of shares. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM.



Ordinary Resolution 7 was duly proposed by Madam Wong Lai Chan and seconded by Ms Ms Ho Soo Siew.

13. **ORDINARY RESOLUTION NO. 8**

- **Proposed Renewal of Authority for the Purchase by the Company of its Own Shares**
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Ordinary Resolution 8 on the Proposed Renewal of Authority for the Purchase by the Company of its Own Shares, was duly proposed by Mr Chia Peng Huang and seconded by Ms Lee Fong Sum.

14. **POLLING PROCESS**

With the completion of all the agendas, Dato' Chairman declared the registration for attendance at the AGM closed and proceeded with the polling session. En Shamsul Kamal from Symphony Share Registrars Sdn Bhd, the Poll Administrator, was invited by Dato' Chairman to brief on the procedures for the conduct of electronic poll voting.

After the briefing by Encik Shamsul Kamal, Dato' Chairman adjourned the Meeting for electronic polling process.

15. **ANNOUNCEMENT OF POLL RESULTS**

Dato' Chairman called the Meeting to order for the announcement of poll results. The poll results were received from the Scrutineers, Symphony Corporatehouse Sdn Bhd.

(a) **ORDINARY RESOLUTION NO. 1**

- **Re-election of Mr Chew Hoy Ping as Director**
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Dato' Chairman announced the poll results in respect of Ordinary Resolution 1 which was carried as follows:

FOR		AGAINST		TOTAL	
No. of Shares	%	No. of Shares	%	No. of Shares	%
333,875,073	99.9844	52,100	0.0156	333,927,173	100

Dato' Chairman declared that Ordinary Resolution 1 was duly passed. It was hereby RESOLVED:

THAT Mr Chew Hoy Ping be hereby re-elected as Director of the Company.

(b) **ORDINARY RESOLUTION NO. 2**

- **Re-election of Mr Lee Eng Leong as Director**
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Dato' Chairman announced the poll results in respect of Ordinary Resolution 2 which was carried as follows:



FOR		AGAINST		TOTAL	
No. of Shares	%	No. of Shares	%	No. of Shares	%
333,927,173	100	0	0	333,927,173	100

Dato' Chairman declared that Ordinary Resolution 2 was duly passed. It was hereby RESOLVED:

THAT Mr Lee Eng Leong be hereby re-elected as Director of the Company.

(c) **ORDINARY RESOLUTION NO. 3**

• Re-appointment of Mr Wee Teck Nam as Director

Dato' Chairman announced the poll results in respect of Ordinary Resolution 3 which was carried as follows:

FOR		AGAINST		TOTAL	
No. of Shares	%	No. of Shares	%	No. of Shares	%
280,009,573	99.9814	52,100	0.0186	280,061,673	100

Dato' Chairman declared that Ordinary Resolution 3 was duly passed. It was hereby RESOLVED:

THAT Mr Wee Teck Nam be hereby re-appointed as Director of the Company.

(d) **ORDINARY RESOLUTION NO. 4**

• Payment of Directors' Fees

Dato' Chairman announced the poll results in respect of Ordinary Resolution 4 which was carried as follows:

FOR		AGAINST		TOTAL	
No. of Shares	%	No. of Shares	%	No. of Shares	%
333,927,173	100	0	0	333,927,173	100

Dato' Chairman declared that Ordinary Resolution 4 was duly passed. It was hereby RESOLVED:

THAT the payment of Directors' fees for the financial year ended 31 December 2016 be hereby approved.

(e) **ORDINARY RESOLUTION NO. 5**

• Payment of Directors' Remuneration and Benefits

Dato' Chairman announced the poll results in respect of Ordinary Resolution 5 which was carried as follows:



FOR		AGAINST		TOTAL	
No. of Shares	%	No. of Shares	%	No. of Shares	%
333,897,173	99.991	30,000	0.009	333,927,173	100

Dato' Chairman declared that Ordinary Resolution 5 was duly passed. It was hereby RESOLVED:

THAT the payment of Directors' remuneration and benefits (excluding Directors' fees) to the Non-Executive Directors from 31 January 2017 until the next AGM of the Company be hereby approved.

(f) **ORDINARY RESOLUTION NO. 6**
• **Re-appointment of Messrs KPMG PLT as Auditors**

Dato' Chairman announced the poll results in respect of Ordinary Resolution 6 which was carried as follows:

FOR		AGAINST		TOTAL	
No. of Shares	%	No. of Shares	%	No. of Shares	%
333,927,073	100	0	0	333,927,073	100

Dato' Chairman declared that Ordinary Resolution 6 was duly passed. It was hereby RESOLVED:

THAT the appointment of Messrs KPMG PLT as Auditors of the Company for the financial year ending 31 December 2017 and authorisation to the Board of Directors to determine their remuneration be hereby approved.

(g) **ORDINARY RESOLUTION NO. 7**
• **Authority to Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016**

Dato' Chairman announced the poll results in respect of Ordinary Resolution 7 which was carried as follows:

FOR		AGAINST		TOTAL	
No. of Shares	%	No. of Shares	%	No. of Shares	%
280,061,673	100	0	0	280,061,673	100

Dato' Chairman declared that Ordinary Resolution 7 was duly passed. It was hereby RESOLVED:

THAT subject always to the Companies Act 2016 (**"the Act"**), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company's Articles of Association and the approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Act, to issue and allot new shares in the Company at any time at such price, upon such terms and conditions, for such purposes and to such person(s) whomsoever as the Directors may in



their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total issued share capital of the Company for the time being and THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad (“**Bursa Securities**”) for the listing of and quotation for the additional shares so issued and THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company.

(h) **ORDINARY RESOLUTION NO. 8**

- **Proposed Renewal of Authority for the Purchase by the Company of its Own Shares**

Dato’ Chairman announced the poll results in respect of Ordinary Resolution 8 which was carried as follows:

FOR		AGAINST		TOTAL	
No. of Shares	%	No. of Shares	%	No. of Shares	%
333,927,173	100	0	0	333,927,173	100

Dato’ Chairman declared that Ordinary Resolution 8 was duly passed. It was hereby RESOLVED:

THAT subject to compliance with the Act, the Company’s Constitution, the Main Market Listing Requirements of Bursa Securities and any other relevant rules and regulations that may be in force from time to time, the Company be and is hereby authorised to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities, upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company PROVIDED THAT:-

- (a) the aggregate number of ordinary shares in the Company which may be purchased and/or held by the Company shall not exceed 10% of the issued and paid-up share capital of the Company at any point in time; and
- (b) an amount not exceeding the Company’s audited retained profits and/or share premium account at the time of purchase will be allocated by the Company for the purchase of own shares.

THAT such authority shall commence upon the passing of this ordinary resolution and shall remain in force until:-

- (i) the conclusion of the next AGM of the Company at which time such authority shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,



whichever occurs first.

THAT authority be and is hereby given to the Directors of the Company to decide in their discretion to retain the ordinary shares in the Company so purchased by the Company as treasury shares and/or to cancel them and/or to resell the treasury shares and/or to distribute them as share dividend and/or subsequently cancel them or such other purposes as allowed under the Act.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise or to give full effect to the aforesaid with full power to assent to any conditions, modifications, variations and/or amendments as may be required or imposed by the relevant authorities and to do all such acts and things (including executing all documents) as the Directors may deem fit and expedient in the best interest of the Company.

16. **CONCLUSION**

The AGM concluded at 4.00 p.m. with a vote of thanks to the Chair.

Confirmed as a true and correct record:-

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CHAIRMAN

Date: 15 June 2017