



**MINUTES OF THE 15<sup>TH</sup> 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 WEDNESDAY, 13 JUNE 2018 AT 2.30 P.M.**

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

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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 ("**Bursa Securities**"). 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 Securities on 27 April 2018 and advertised in the NST newspaper on 30 April 2018.



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 following questions were raised by the shareholders/proxies and duly responded by Mr James Wong:-

- (1) Mr Teo Eng Kwan enquired on the expected return of the large scale solar power plant ("LSSF") project in Sungai Siput, Perak upon completion.

Mr James Wong informed that the average revenue per month expected to be generated is between RM3 million to RM4 million with 30% to 40% bottom line.

- (2) Ms Sophia Fong Poi Heng sought clarification on the substantial insurance claim amount, as stated in the audited financial statements. She also enquired on the strength of the Group's net cash generated from operating activities of RM167 million.

Mr James Wong clarified that the insurance claim relates to a claim which was submitted for the Tanjung Bin 4 project in 2016, due to soil movement condition. The project received a variation claim as permitted under the contract.

With regards to the Group's net cash generated from operating activities, the bulk of the cash flow was generated from Sinar Kamiri's Sukuk bonds issuance for the LSSF project, as well as cash received from various settlements. The cash flow would be reserved for working capital requirements and the repayment of bank borrowings.

Dato' Chairman then informed that the Company had received a letter from Minority Shareholder Watchdog Group ("MSWG") dated 6 June 2018. He then handed over to Mr James Wong to read out the questions raised by MSWG and the Company's reply, which were also displayed on the screen in the meeting hall.

The representative from MSWG, Ms Linnert Hoo thanked the Board for presenting the answers to the questions raised by MSWG for the benefit of the shareholders.

From the Group's total order book of circa RM2 billion, Ms Linnert Hoo raised a query on the estimated value of order book for those projects which the Group expects to secure. In response, Mr James Wong highlighted that the projects currently in the pipeline are the Engineering, Procurement, Construction and Commissioning ("EPCC") role in renewable energy projects; Penang highway and flood migration projects; and factories and logistic hubs. He explained that the estimated value for these projects was



unable to be ascertained. Broadly, the value of a solar project of 50 Megawatt size (with EPCC) would be about RM300 million, whilst a highway project win on conditional basis is approximately RM800 million. He added that the team remained active in tendering of projects in order to stay competitive in the market.

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 2017**

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The Audited Financial Statements of the Company for the financial year ended 31 December 2017 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 questions and comments, as follows:-

- (a) Mr Leo requested for an update on the status and prospect of the power plant project in India. He enquired if Mudajaya could exit from the joint venture company, R.K.M Powergen Private Limited ("RKM") as the share of RKM's losses continued to affect the performance of the Group.

As the joint venture was governed by agreements executed earlier, Mr James Wong explained that if Mudajaya were to make an early exit, it would result in a breach of some of the terms and conditions of the aforesaid agreements.

He highlighted that it was a tough regime to work in India. Both Mr Eric Lee, the Executive Director and himself have been travelling to India to ensure that Mudajaya's 26% minority interest is protected.

The India partnership was established since 2004 and both joint venture partners had since strived with much effort to complete the project. Mr James Wong assured the shareholders that Management would do their level best to protect the investment in India as the value of investment is huge.

The project would be funded through borrowings and equity, on top of the monies received from the Custom authority in India. The funding would enable the project to purchase coal for the operation of the power plants and subsequently to execute the power purchase agreements.



The Government of India has also stepped in to aid distressed power plant projects through the current restructuring exercise driven by the Reserve Bank of India.

Mr James Wong assured that at the right time, upon securing a good price for the power plant assets, the Group would divest its investment in India.

- (b) Mr Leo enquired on the prospect and outlook of the power business in Indonesia.

Mr James Wong briefed that the Group's power plant project in Indonesia has been profitable with positive cash flow, except for the translation losses due to currency conversion from Rupiah to United States Dollar. Timely payment has been received from Perusahaan Listrik Negara (PLN).

The Management team has been venturing comfortably in Indonesia, a country closer to home, that way more control on the project could be secured. The team was also looking into business expansion in Indonesia.

- (c) Mr Leo enquired on the performance and outlook of the power business in Gebeng, Pahang and Sungai Siput, Perak.

Mr James Wong informed that the Gebeng's 10 Megawatt solar farm in Pahang has been generating high returns and the actual power supply was more than the output required under the power purchase agreement.

He further briefed that the LSSF project was awarded through open bidding. Though the tariff was much lower but with the reduction in the price of solar panels and coupled with the EPCC contract, the project could still be profitable. This project was privately funded, hence no financial assistance was required from the Government.

- (d) Mr Leo enquired on the outlook of the Group for 2018 and 2019.

Mr James Wong briefed that from the stock market reaction, all construction stocks were hit following the cancellation or deferment of big mega projects. Hence, the new Government would require some time to recalibrate before these projects are revived.

Mudajaya would need to filter the new projects before participating to mitigate the risk of undertaking projects which would end up with low yield of returns. Management would remain competitive in the challenging economic condition. The outlook for the construction and power sectors remained positive. For property sector, sales would improve and the products could demand high selling price if the pricing and location are right.



Mr James Wong further cautioned that however, the good projects like Pengerang would be reaching its completion soon. If the Group does not secure new projects eg. umbrella contracts, the bottom line of the Group would be affected.

Lastly, Mr Leo congratulated the Board and Management for the Group's improved performance in year 2017, particularly the construction business, as compared to 2016.

- (2) Mr Ng Soo Har enquired on the future prospect of the Group's businesses for the next 5 years under the current challenging political environment.

Dato' Chairman stated that following the new Government formation, Malaysia is entering into a new phase of development. Mudajaya should welcome this as the Group has the right mix of skills and expertise to support the Government, particularly in the infrastructure sector.

Due to uneven level playing field competition in the past, Mudajaya had to face unfair competition in its bidding for contracts. With the new Government that advocates transparency and fairness, Dato' Chairman was hopeful that Mudajaya would stand a good chance to secure projects in the infrastructure and construction segments. However, he cautioned that the nation might experience some turbulence while the new Government settles down.

Dato' Chairman expressed that the strong order book would be able to sustain the Group for 2 more years or so. In the meantime, Mudajaya would continue to bid for infrastructure projects in those fields that it has advantage in.

Mudajaya has built itself a good track record in the Pengerang and solar projects, where the Group gained recognition for the quality of its construction work from Petronas, a very demanding customer. The team had complied with the high safety requirements of Petronas.

Dato' Chairman commented that the general expectation should be quite bright for the Group if the trend of infrastructure development continues in Malaysia.

- (3) Mr Yam Kang Yao raised a few enquiries, as follows:-

- (a) Mr Yam enquired on the reason that led to the current year's gross margin of the Group to double up compared to last year.

In response, Mr James Wong attributed the high gross margin to the Pengerang projects which generated good returns to the Group. The team had more leeway as they could control the design and build, materials and the speed of project execution. He added that the balance of order book for Pengerang projects would be completed in July or August 2018.



- (b) With the implementation of the new regulations on minimum wage, Mr Yam enquired on the percentage of Mudajaya's workers who fall under the minimum wage requirement.

Mr James Wong responded that Mudajaya has complied with the minimum wage requirement. The affected workforce was mainly the foreign construction workers. He added that some of the costs could be passed on to the clients, particularly for the new projects.

- (c) Mr Yam noted that the Group CEO & Managing Director and the Executive Director do not hold any shares in Mudajaya.

Mr James Wong informed that he and the Executive Director have share options and they would become shareholders once the options are exercised.

- (d) Mr Yam enquired if there were any measures taken by Management to pare down the debts.

Mr James Wong explained that the Group is gradually building up its cash flow and would pare down some of the debts by year end. Most of the debts were related to project financing.

- (4) Madam Wong Lai Chan enquired on whether the disposal of shares made by a substantial shareholder namely Mulpha Infrastructure Holdings Sdn Bhd (“MIH”) last year, was done through the open market. She further noted that Kingsman Capital Limited (“KCL”) has emerged as a substantial shareholder with holding of 53 million shares, and enquired whether KCL is a foreign investment fund.

Mr Eric Lee responded that the share disposal by MIH was transacted through the open market. In 2017, Mudajaya had issued 53 million shares to KCL via a private placement. KCL is an investment company established in Hong Kong.

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 Dato' Yusli Bin Mohamed Yusoff**

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Dato' Chairman, being an interested party in Ordinary Resolution 1 on his re-election, invited Mr James Wong to take over the Chair.

Mr James Wong informed that Dato' Chairman was retiring from the Board in accordance with Article 76 of the Company's Articles of Association and being eligible, has offered himself for re-election.

Ordinary Resolution 1 on the re-election of Dato' Chairman as Director of the Company pursuant to Article 76 of the Company's Articles of Association, was duly proposed by Mr David Choa Der Huey and seconded by Ms Goh Guek Chon.

Mr James Wong then handed over the proceedings back to Dato' Chairman.



7. **ORDINARY RESOLUTION NO. 2**

• **Re-election of James Wong Tet Foh**

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Ordinary Resolution 2 on the re-election of Mr James Wong Tet Foh as Director of the Company pursuant to Article 76 of the Company's Articles of Association, was duly proposed by Tong Poh Kuan and seconded by Mr Yam Kang Yao.

8. **ORDINARY RESOLUTION NO. 3**

• **Re-election of Dato' Amin Rafie Bin Othman**

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Ordinary Resolution 3 on the re-election of Dato' Amin Rafie Bin Othman as Director of the Company pursuant to Article 83 of the Company's Articles of Association, was duly proposed by Ms Yeap Yen Yen and seconded by Ms Har Yuen Heong.

9. **ORDINARY RESOLUTION NO. 4**

• **Payment of Directors' Fees for the financial year ended 31 December 2017**

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Ordinary Resolution 4 on the payment of Directors' fees for the financial year ended 31 December 2017, was duly proposed by Ms Lew Lai Kuan and seconded by Mr Tong Poh Kuan.

10. **ORDINARY RESOLUTION NO. 5**

• **Payment of Directors' Fees for the period from 1 January 2018 until the next AGM**

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Ordinary Resolution 5 on the payment of Directors' fees to the Non-Executive Directors of the Company for the period from 1 January 2018 until the next AGM of the Company, was duly proposed by Mr Chia Peng Huang and seconded by Ms Har Yuen Heong.

11. **ORDINARY RESOLUTION NO. 6**

• **Payment of Directors' Benefits to Non-Executive Directors**

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Ordinary Resolution 6 on the payment of Directors' benefits (excluding Directors' fees) to the Non-Executive Directors of the Company, was duly proposed by Ms Lee Song Aik and seconded by Ms Lew Lai Kuan.

12. **ORDINARY RESOLUTION NO. 7**

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

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

Ordinary Resolution 7 on the re-appointment of Messrs KPMG PLT as Auditors, was duly proposed by Ms Yeap Yen Yen and seconded by Mr Chia Peng Huang.





13. **ORDINARY RESOLUTION NO. 8**

- **Authority to Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016**
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Dato' Chairman explained that Ordinary Resolution 8 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 8 was duly proposed by Ms Lew Lai Kuan and seconded by Mr David Choa Der Huey.

14. **ORDINARY RESOLUTION NO. 9**

- **Proposed Renewal of Authority for the Purchase by the Company of its Own Shares**
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Ordinary Resolution 9 on the Proposed Renewal of Authority for the Purchase by the Company of its Own Shares, was duly proposed by Ms Har Yuen Heong and seconded by Mr Chia Peng Huang.

15. **POLLING PROCESS**

With the completion of all the agendas and confirmation from the Company Secretary that no notice was received to transact any other business at the AGM, Dato' Chairman proceeded with the polling session. He declared the registration for attendance at the AGM closed and invited En Shamsul Kamal from Symphony Share Registrars Sdn Bhd, the Poll Administrator to brief on the procedures for the conduct of electronic poll voting.

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

16. **ANNOUNCEMENT OF POLL RESULTS**

Dato' Chairman called the AGM 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 Dato' Yusli Bin Mohamed Yusoff**
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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	%
282, 710, 132	99.9989	3, 200	0.0011	282, 713, 332	100





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

THAT Dato' Yusli Bin Mohamed Yusoff be hereby re-elected as Director of the Company.

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

• **Re-election of Mr James Wong Tet Foh**

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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	%
282, 661, 232	99.9816	52, 100	0.0184	282, 713, 332	100

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

THAT Mr James Wong Tet Foh be hereby re-elected as Director of the Company.

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

• **Re-election of Dato' Amin Rafie Bin Othman**

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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	%
282, 713, 332	100	0	0	282, 713, 332	100

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

THAT Dato' Amin Rafie Bin Othman be hereby re-elected as Director of the Company.

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

• **Payment of Directors' Fees for the financial year ended 31 December 2017**

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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	%
335, 764, 518	100	14	0	335, 764, 532	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 2017 be hereby approved.

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

**• Payment of Directors' Fees for the period from 1 January 2018 until the next AGM**

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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	%
335,764,518	100	14	0	335,764,532	100

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

THAT the payment of Directors' fees to the Non-Executive Directors of the Company for the period from 1 January 2018 until the next AGM of the Company, be hereby approved.

(f) **ORDINARY RESOLUTION NO. 6**

**• Payment of Directors' Benefits to Non-Executive Directors**

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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	%
335,764,518	100	14	0	335,764,532	100

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

THAT the payment of Directors' benefits (excluding Directors' fees) to the Non-Executive Directors of the Company, be hereby approved.

(g) **ORDINARY RESOLUTION NO. 7**

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

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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	%
336,578,832	100	0	0	336,578,832	100



Dato' Chairman declared that Ordinary Resolution 7 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 2018 and authorisation to the Board of Directors to determine their remuneration, be hereby approved.

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

- **Authority to Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016**
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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	%
282, 712, 812	99.9998	520	0.0002	282, 713, 332	100

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

THAT subject always to the Companies Act 2016 (“**the Act**”), the Main Market Listing Requirements of Bursa Securities, 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 number of issued shares of the Company for the time being and THAT the Directors be and are also empowered to obtain the approval from 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.

(i) **ORDINARY RESOLUTION NO. 9**

- **Proposed Renewal of Authority for the Purchase by the Company of its Own Shares**
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Dato' Chairman announced the poll results in respect of Ordinary Resolution 9 which was carried as follows:

FOR		AGAINST		TOTAL	
No. of Shares	%	No. of Shares	%	No. of Shares	%
336, 578, 312	99.9998	520	0.0002	336, 578, 832	100



Dato' Chairman declared that Ordinary Resolution 9 was duly passed. It was hereby RESOLVED:

THAT subject to compliance with the Act, the Company's Articles of Association, 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 total number of issued shares of the Company at any point in time; and
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the latest audited retained profits of the Company.

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 dividends and/or subsequently cancel them or such other manner as may be allowed under the Act and the Main Market Listing Requirements of Bursa Securities.

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.



17. **CONCLUSION**

The AGM concluded at 4.20 p.m. with a vote of thanks to the Chair.

**Confirmed as a true and correct record:-**

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**CHAIRMAN**

Date: 13 June 2018