

MINUTES OF ANNUAL GENERAL MEETING

MINUTES OF THE TWENTY-FIFTH ANNUAL GENERAL MEETING OF THE COMPANY HELD AT PLB ENGINEERING BERHAD, 3RD FLOOR, TRAINING ROOM, 1320, JALAN BARU, TAMAN CHAI LENG, 13700 PRAI, PENANG ON WEDNESDAY, 26 JANUARY 2022 AT 3.00 P.M.

ATTENDANCE: As per attendance list

1. COMMENCEMENT

At 3:00 p.m., the Chairman of the Meeting, Dato' Seri Ong Choo Hoon called the meeting to order and welcomed all members and proxies participating the Company's Twenty-Fifth Annual General Meeting (25th AGM" or "Meeting").

2. APOLOGY

An apology from Encik Markzhuki, the Executive Director of the Company, for his absence due to medical leave was duly noted.

3. QUORUM

The meeting was called to order as the Company Secretary confirmed that the quorum was present.

4. NOTICE OF MEETING

The notice of 25th AGM having been circulated within the statutory period, was taken as read.

5. WRITTEN QUERIES FROM MINORITY SHAREHOLDER WATCH GROUP ("MSWG")

5.1 The Secretary informed the shareholders that the Company had received written queries from MSWG and the response by the Company pursuant to the written queries from MSWG were projected on the screen for members to view and the Secretary read out the response. A copy of the queries and responses were attached hereto as APPENDIX I.

5.2 After the presentation of the queries and responses, Mr Lee Chee Meng ("Mr Lee), the corporate representative of MSWG sought further clarifications on the answers provided by the Company as follows:

(a) Whether there is any potential contractor identified for the Rehabilitation Works?

The Company's Group Chief Operating Officer, Dato' Siow Kok Yong ("Dato' Siow") replied that the Company has identified a few potential contractors of which one of them is China Railway No.3 Engineering Group Co. Ltd ("China Railway No.3"). China Railway No.3 has served the Company with a letter of intent to undertake the project for the Company. Hence, the Company will later invite China Railway No.3 to participate in the tender for the project.

Mr Lee further enquired whether the Company will hold another Extraordinary General Meeting ("EGM") to get approval from the shareholders on this matter. Dato' Siow replied that the Company will seek further advice from their investment bank and will hold another EGM, if deemed necessary.

(b) **What is the actual amount due from the Customer to the Company mentioned in the response of question 4(a)?**

The senior finance manager of the Company, Madam Phee Poh Suan ("Madam Phee") replied that the amount due from the Customer is RM180,000.00. She added that after the full settlement, whatever stock left at the site by this Customer cannot be removed as that would be considered the final settlement.

(c) **What is the status of the fire which broke out in Pulau Burung landfill? Is there any penalty imposed by the Penang State Government towards the Company?**

Dato' Siow replied that 80% of the fire had been extinguished as at today, the remaining 20% of the fire would need more time as the fire is still quite deep. All the rescue parties are trying hard to extinguish the fire, one of the subsidiaries of the Company, PLB Terang Sdn Bhd was also involved to mobilise 13 water dosers, 24 hour/day to help the situation.

He reported that the school which was closed due to the fire in Pulau Burung dumpsite has been reopened and 90 families were relocated at evacuation centre.

Dato Siow informed that the Company would provide full support to help the victims.

He added that whether the contract will be terminated or not, the Company will leave it for the authorities to decide. He informed the Meeting that the Company had done an internal assessment and the Management was confident that the risk of termination of the contract should be minimal.

5.3 The shareholder, Mr Lee Eng Shan ("Mr Lee ES") posted the following questions and the Company replied as follows:

(a) **What is the latest status of the Waste to Energy ("WTE") project?**

Dato Siow replied that the Company had on last month notified the State Government, that the Company would submit the proposal of WTE project within 6 months from the date of the notice. The Company is currently in the final stage of negotiation with the WTE technology provider from Shanghai as well as the funder. He informed the Meeting that this Shanghai technology provider has built 46 WTE project over the past 10 years around the world. The Management opined that WTE would be the only solution for waste management in the near future and the Company remains positive towards the response from the State Government.

(b) **What is the timeline for this WTE project and what is the involvement from China Railway No.3?**

Dato Siow replied that China Railway No.3 was not involved in the WTE project, it will be done by another specialised company which mentioned in response 5.3(a) above. He informed the Meeting that the Company would sign a term sheet with the Shanghai WTE technology provider before submitting the full proposal to State Government by end of February 2022. If the State Government approves it (it takes approximately 3 months to get the response from State Government) then the Company would be required to submit a complete set of proposal paper to Suruhanjaya Tenaga ("ST") for the power purchase agreement together with the 2 main licenses to be obtained from the local authorities for the planning process. All of this would take about 18 months. He added that the construction of the RM500 million WTE plant would take about 12 months to 18 months to complete, which in total would be a 2 and half to 3 years period.

(c) **May I know the reason of high taxation?**

Madam Phee replied that it was because of the profit from property development division and added that even though certain subsidiaries were making losses, the losses could not be offset against the profit.

(d) **May I know what is the additional RM20 million expenses mentioned in the page 136 of the annual report?**

Madam Phee replied that RM20 million was related to the Jelutong project.

Mr Lee ES further enquired whether this RM20 million expenses has been capitalised.

Madam Phee replied to the affirmative and added that the Jelutong project will be later categorised under a Special Purpose Entity ("SPE") company.

(e) **Could you share with me the key matrix, such as the period of direct sunlight required under the solar power plant project?**

Madam Phee replied that the capacity of the solar power plant is 20 megawatt which at the rate of 40.8 sen per kWh and average sunlight needed to generate the 20 megawatt is at least 4 hours sunlight per day.

(f) **What is the capex required in coming 2 or 3 years of the Company for all the upcoming project?**

Dato Siow replied that RM21 million would be needed to secure the new Concession Agreement ("CA") for the WTE project from the State Government. The Company would not be required to come out with capital investment but would be entitled to 10% profit sharing.

6. **PROCEDURES TO CONVENE THE AGM**

The Secretary, on behalf of the Chairman, informed the members that in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 25th AGM are to be voted by poll and the Company has to appoint at least one scrutineer to validate the votes cast.

The Secretary, on behalf of the Chairman, also informed the members that the Company has appointed Agriteum Share Registration Services Sdn. Bhd. as Poll Administrator and Value Creator Consultancy as the Scrutineer to conduct the polling process and to verify the poll results respectively. The polling process for the resolutions would be conducted upon completion of the deliberation of all the proposed resolutions transacted at the 25th AGM.

The Secretary informed that Mr Ng Seng Lee and Ms Cheok Ee Yee are the shareholders of the Company and that they have offered to be the proposer and seconder respectively for all the resolutions in the agenda of this meeting.

The Secretary then presented the agenda of the 25th AGM as follows:-

7. **AGENDA 1 - TO RECEIVE THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

Shareholders were informed by the Secretary that the said Audited Financial Statements ("AFS") were for discussion purposes only as the provision of Section 340(1)(a) of the Companies Act 2016 do not require members' approval for the AFS. Therefore, this item would not be put forward for voting.

The Secretary invited the shareholders or proxies to raise questions on the AFS.

The Secretary proposed that the Company's AFS for the financial year ended 31 August 2021 together with the reports of the Directors and Auditors were duly tabled and received by the shareholders before the Meeting.

8. **ORDINARY RESOLUTION 1
TO APPROVE THE PAYMENT OF DIRECTORS' FEES UP TO RM132,000.00
FOR THE FINANCIAL YEAR ENDING 31 AUGUST 2022.**

The Secretary informed the Meeting that the Ordinary Resolution 1 was to approve the payment of Directors' fees of up to RM132,000 for the financial year ending 31 August 2022.

9. **ORDINARY RESOLUTION 2 AND 3
TO RE-ELECT DATO' ONG GUAT BENG AND MR SAW CHIN ENG, WHO
RETIRING UNDER ARTICLE 111 OF THE COMPANY'S CONSTITUTION, AND
WHO BEING ELIGIBLE, OFFERED THEMSELVES FOR RE-ELECTION.**

The Secretary informed the Meeting that the Ordinary Resolution 2 and Ordinary Resolution 3 was to re-elect Dato' Ong Guat Beng and Mr Saw Chin Eng respectively, who retiring under Article 111 of the Company's Constitution, and who being eligible had offered themselves for re-election.

10. **ORDINARY RESOLUTION 4
TO RE-APPOINT MESSRS GRANT THORNTON MALAYSIA PLT AS AUDITORS
OF THE COMPANY UNTIL THE CONCLUSION OF THE NEXT ANNUAL
GENERAL MEETING AND TO AUTHORISE THE DIRECTORS TO FIX THEIR
REMUNERATION.**

The Secretary informed the Meeting that the Ordinary Resolution 4 was to re-appoint Messrs. Grant Thornton Malaysia PLT as auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration

11. **ORDINARY RESOLUTION 5
AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 & 76 OF THE
COMPANIES ACT, 2016.**

The Secretary informed the Meeting that the Ordinary Resolution 5 was on the authority to issue shares pursuant to Sections 75 & 76 of the Companies Act, 2016.

She proceeded to inform the Meeting that this resolution was to give a mandate to the Directors the authority to issue and allot shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 20% 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 for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad ("Bursa Securities") and that such authority shall continue in force until 31 December 2022 or any other such time of period extension granted by Bursa Securities after such date but until the conclusion of the next AGM of the Company.

The mandate would provide the Company the flexibility to allot shares, any possible fund raising exercises, as well as, in the event of any strategic opportunity involving

equity deals which may require the Company to allot and issue new shares on urgent basis and thereby reducing the administrative time and costs associated with the convening of additional shareholders' Meeting(s).

12. **ORDINARY RESOLUTION 6
PROPOSED NEW AND RENEWAL OF SHAREHOLDERS' MANDATE FOR
RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR
TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")**

The Secretary informed the Meeting that the Ordinary Resolution 6 was in relation to the proposed new and renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature.

The Secretary informed the shareholders that the interested directors, major shareholders and person connected as listed under Section 3 on page 12 and 13 of the Circular to shareholders are deemed interested in the proposed new and renewal of shareholders' mandate and accordingly would abstain from voting the relevant resolution.

13. **ORDINARY RESOLUTION 7 AND ORDINARY RESOLUTION 8
RETENTION OF MADAM TEOH SIEW TIN AND MR SAW CHIN ENG WHO
HAVE SERVED IN THE COMPANY FOR A CUMULATIVE TERM OF MORE
THAN TWELVE (9) YEARS, TO CONTINUE TO ACT AS INDEPENDENT NON-
EXECUTIVE DIRECTORS OF THE COMPANY.**

The Secretary informed the Meeting that the Ordinary Resolution 7 and Ordinary Resolution 8 are in relation to the retention of Madam Teoh Siew Tin and Mr Saw Chin Eng respectively, who have served in the company for a cumulative term of more than ninth (9) years, to continue to act as independent non-executive directors of the company.

Pursuant to the Malaysian Code on Corporate Governance ("MCCG"), if the Company continued to retain the independent director after the ninth year, the Company should seek annual shareholders' approval through a two-tier voting process. Under the two-tier voting process, shareholders' votes would be casted in the following manner at the same shareholders meeting:

- Tier 1: Only the **Large Shareholders** of the company Dato' Seri Ong Choo Hoon, Dato' Dr. Ong Seng Soon and Leading Builders Sdn. Bhd. would vote; and
- Tier 2: Shareholders other than **Large Shareholders** would vote.

Therefore, the decision for the above resolutions would be determined based on the vote of Tier 1 and a simple majority of Tier 2. The resolutions would be deemed successful if both Tier 1 and Tier 2 votes support the resolutions

However, the resolutions would be deemed to be defeated where the vote between the two tiers differs or where Tier 1 voter(s) have abstained from voting.

14. **OTHER BUSINESS**

The Secretary informed the members that no notice for any other business was received.

15. **POLLING PROCESS**

The Secretary, on behalf of the Chairman, invited Ms Ng from Agriteum Share

Registration Services Sdn Bhd to brief the shareholders and proxies on the polling procedures. After Ms Ng finished the briefing, the Secretary requested the members and proxies to cast their votes in the voting slips which were distributed to them earlier.

At 3.43 p.m., the Secretary informed the members that the meeting would adjourned for 30 minutes or until the counting of the votes was completed. She further informed the members that the meeting would resume thereafter for the declaration of the result of the poll, meanwhile the members were invited for refreshment served at the back of the meeting room.

16. ANNOUNCEMENT OF POLL RESULT

At 4.00 p.m., the Secretary called the Meeting to order for the declaration of results. She then proceeded to read out the poll results that was displayed on the screen. A copy of which is attached hereto as APPENDIX II.

The Secretary declared that all the resolutions were duly passed.

17. TERMINATION

There being no other matters to discuss, the meeting ended at 4.02 p.m. with vote of thanks to the Chairman.

CONFIRMED CORRECT,

DATO' SERI ONG CHOO HOON

Chairman

Date: 26 January 2022

WRITTEN QUERIES FROM MINORITY SHAREHOLDER WATCH GROUP (“MSWG”)

Operational and Financial Matters

1. The company had entered a Memorandum of Understanding with China Railway Engineering Corporation (M) Sdn Bhd (“CRECM) to establish a basic of co-operation and collaboration for the engineering procurement and construction work for the Rehabilitation Works under the Project (“MOU”). The MOU was approved by shareholders at an EGM held on 8 March 2021.

(a) What were the reasons for the termination of the MOU with CRECM?

The MOU with CRECM lapsed due to the changes in the internal policies of CRECM (The Company). The Company was not able to carry out extensive due diligence to conduct physical surveys and inspections on the proposed site given the lock down. Tighter economic policies and uncertainties have resulted in the re-evaluation and reconsideration of this MOU by CRECM.

(b) Who are the potential interested funders for the Rehabilitation Works?

There is a Consortium of international funders from East Asia and Middle East who have expressed considerable interest in the project. Measures are ongoing to secure funding from these investors. We expect to sign a Joint Venture Agreement with the funders in the near future.

2. The Company had on 19 October 2020 applied to the Penang Development Corporation (“PDC”) for an extension of time of up to four (4) months to, amongst others, fulfil the conditions precedent of the Joint Development Agreement, (“JDA”).

On 11 October 2021, the company applied to PDC for a second extension of time of up to twelve (12) months. (Page 45 of AR)

a) What were the challenges faced by the Company in fulfilling the conditions precedent to the JDA?

There were physical challenges in getting the Conceptual Master Plan and the EIA approved due to the lock down. Movement of key consultants from out of state was affected. In addition, the approval process from the public agencies was impacted given the tight SOPs and Work From Home policies which affected the capacity of the approving authorities. The funding issue was the other challenge given the termination of the MOU with the previous investor.

b) When does the Company expect to fulfil all the conditions precedent (CPs) of the JDA?

The main approvals from the authorities are in the process of being obtained. We expect the remaining CPs to be fulfilled by the second half of this year.

c) Is there a potential risk that the Company may lose the JDA due to the two extensions of time requested by the Company?

The risk of PLB losing the JDA is low as we are in constant conversation with the Penang State Government and PDC on the progress of the JDA. Our EOT application being approved is an indication that the relevant authorities understand the challenges faced in completing the JDA and their willingness to provide PLB with sufficient time to fulfill the CPs.

Notwithstanding, we are aware of the risk but remain confident that we will be able to fulfil the CPs within the stipulated time.

3. The Group has disposed a piece of land held for development to a director of a subsidiary of the company for RM955, 000. (Page 126 of AR)

Amount is RM 950,000 instead of RM 955,000.

a) What was the reason for the disposal of the land held for development?

This piece of land is not intended for development in the near future. Disposal of the land will generate cash to repay the amount owing to the Holding Company

b) What was the financial impact of the land disposal to the Group's result?

Gain from land disposal was recorded at RM 293,273.00.

c) What was the basis on which the land was transacted?

The land was transacted at current market value of RM4 per square feet based on external indicative valuations. The market price was depressed in year 2020 due to the outbreak of the pandemic which has affected demand.

d) What was the market value of the land prior to disposal?

The market value of the land prior to disposal was RM5 per square feet before outbreak of global pandemic in year 2020.

e) Who is the director of the subsidiary who has bought the land.

The director of the subsidiary who bought the land is Mr Tiu Jon Hui

4. The amount of trade receivables written off increased from RM18, 401 in FY 2020 to RM603, 883 in FY 2021, an increase of RM585, 482 or 3182%. (Page 106 AR)

(a) What was the reason for the higher amount of trade receivables written off?

The provision for doubtful debt of RM603,883 was written off after a subsidiary of the Company, PLB Eco Solutions ("PLBES") had entered into a final settlement agreement with the customer to settle any outstanding debts due.

(b) What is the expected write off in the coming year?

The risk of bad debts is low, therefore, we foresee minimal amount to be written off, if any.

(c) What are the measures taken to mitigate the amount of written off?

The debts collection procedure is in place by the Group. Company search on the customers shall be conducted whereas advance payment or deposit shall be collected.

- 5. What are the Gross Development Values of Plot 11 (Lot 9818) consisting of 1 block of apartments, Lot 6435 & 6436 Lebuah Paya Terubong that consists of 1 block with 466 units of apartments and affordable houses Plot 8 (Lot 9830) that consists of 2 blocks of apartments respectively? (Page 12 of AR)**

When are the expected launching dates of Lot 9818, Lot 6435 & 6436 and Lot 9830 respectively?

Item	Development Projects	Gross Development Value	Expected Launching Date
1	Plot 11 (Lot 9818, Paya Terubong) – 1 block with 290 units apartments	129,768,000	August 2022
2	Lot6435 & 6436, Zoo Road – 1 block with 466 units affordable homes	156,110,000	August 2023
3	Plot 8 (Lot 9830, Paya Terubong) – 2 blocks with 800 units affordable homes	273,997,000	August 2023

- 6. The additional landfill cell operations in Phase 3 had commenced in Dec 2020 and should contribute to higher revenue in FY 2022. (Page 12 of AR)**

- a) Was there any revenue generated from the Phase 3 landfill cell in 2021 after one year in operation?**

Revenue generated from the Phase 3 landfill cell in FY 2021 is RM 18,230,353.72.

- b) What is the expected revenue contribution from the Phase 3 landfill cell operation in FY 2022?**

The expected revenue contribution from the Phase 3 landfill cell operation in FY 2022, RM 20,755,470.00

Corporate Governance Matters

The Company has uploaded the Key Matters Discussed for the 23rd AGM held on 21/1/2020.

However, there is no Key Matters Discussed for the 24th AGM held on 29/1/2021 on the Company's website when we assessed the Company's website on 7 January 2021. Kindly upload the Key Matters Discussed for the 24th AGM as one year has passed.

Noted and we have uploaded the Key Matters Discussed for the 24th AGM, to the Company's website.

PLB ENGINEERING BERHAD
(Company No.199701002728)

Date : 26-01-2022 03:54:35

Meeting No : 25
Type Of Meeting : 25th Annual General Meeting
Venue : PLB Engineering Berhad, 3rd Floor, Training Room
1320, Jalan Baru, Taman Chai Leng
13700 Prai, Penang
Date & Time : 26 January 2022, at 03:00 PM


VALUE CREATOR CONSULTANCY
(PG0350256-T)

Notes Summary Report

Resolution (s)

	Total Records	Total Shares	Total Percentage
<i>Ordinary Resolution 1</i>			
To approve the payment of Directors' fees and benefits of RM132,000.00 for the financial year ending 31 August 2022.	For	30	90,290,582
	Against	0	0
	Valid Cast	30	90,290,582
	Abstain	0	0
	Spoilt	0	0
	Total Cast	<u>30</u>	<u>90,290,582</u>
<i>Ordinary Resolution 2</i>			
To re-elect Dato' Ong Guat Beng who retires pursuant to Article 111 of the Company's Constitution.	For	30	90,290,582
	Against	0	0
	Valid Cast	30	90,290,582
	Abstain	0	0
	Spoilt	0	0
	Total Cast	<u>30</u>	<u>90,290,582</u>
<i>Ordinary Resolution 3</i>			
To re-elect Mr Saw Chin Eng who retires pursuant to Article 111 of the Company's Constitution.	For	29	90,290,482
	Against	1	100
	Valid Cast	30	90,290,582
	Abstain	0	0
	Spoilt	0	0
	Total Cast	<u>30</u>	<u>90,290,582</u>
<i>Ordinary Resolution 4</i>			
To re-appoint Messrs Grant Thornton Malaysia PLT as auditors of the Company until the conclusion of the next annual general meeting and to authorise the Directors to fix their remuneration.	For	30	90,290,582
	Against	0	0
	Valid Cast	30	90,290,582
	Abstain	0	0
	Spoilt	0	0
	Total Cast	<u>30</u>	<u>90,290,582</u>
<i>Ordinary Resolution 5</i>			
To authorise Directors to allot and issue shares pursuant to Sections 75 & 76 of the Companies Act, 2016.	For	30	90,290,582
	Against	0	0
	Valid Cast	30	90,290,582
	Abstain	0	0
	Spoilt	0	0
	Total Cast	<u>30</u>	<u>90,290,582</u>
<i>Ordinary Resolution 6</i>			
To approve the Proposed New and Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.	For	15	14,176,937
	Against	0	0
	Valid Cast	15	14,176,937
	Abstain	15	76,113,645
	Spoilt	0	0
	Total Cast	<u>30</u>	<u>90,290,582</u>

Notes Summary Report

Resolution (s)		Total Records	Total Shares	Total Percentage
<i>Ordinary Resolution 7 - Tier 1 (Large Holders)</i> Retention of Madam Teh Siew Tin as an Independent Non-Executive Director.	For	9	75,521,288	100.000000
	Against	0	0	0.000000
	Valid Cast	9	75,521,288	100.000000
	Abstain	0	0	
	Spoilt	0	0	
<i>Ordinary Resolution 7 - Tier 2 (Other Holders)</i> Retention of Madam Teh Siew Tin as an Independent Non-Executive Director.	For	20	14,769,194	99.999323
	Against	1	100	0.000677
	Valid Cast	21	14,769,294	100.000000
	Abstain	0	0	
	Spoilt	0	0	
	Total Cast	30	90,290,582	
<i>Ordinary Resolution 8 - Tier 1 (Large Holders)</i> Retention of Mr Saw Chin Eng as an Independent Non-Executive Director.	For	9	75,521,288	100.000000
	Against	0	0	0.000000
	Valid Cast	9	75,521,288	100.000000
	Abstain	0	0	
	Spoilt	0	0	
<i>Ordinary Resolution 8 - Tier 2 (Other Holders)</i> Retention of Mr Saw Chin Eng as an Independent Non-Executive Director.	For	20	14,769,194	99.999323
	Against	1	100	0.000677
	Valid Cast	21	14,769,294	100.000000
	Abstain	0	0	
	Spoilt	0	0	
	Total Cast	30	90,290,582	