

**PESONA METRO HOLDINGS BERHAD**  
**(201101029741) (957876-T)**  
(Incorporated in Malaysia)

**MINUTES OF THE TENTH ANNUAL GENERAL MEETING (“10<sup>TH</sup> AGM”) OF THE COMPANY CONDUCTED FULLY VIRTUAL FROM THE ONLINE MEETING PLATFORM VIA TIIH ONLINE WEBSITE AT [HTTPS://TIIH.ONLINE](https://tiih.online) PROVIDED BY TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD. IN MALAYSIA ON MONDAY, 28 JUNE 2021 AT 10.30 A.M.**

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Participated via video-conference : Dato’ Sri Lee Tuck Fook - Chairman  
Mr Loh Kong Fatt  
Mr Wie Hock Beng  
Mr Wie Hock Kiong  
Datuk Hj Subhi Bin Dziauddin  
Puan Salwa Binti Shamshuddin  
Mr Chong Kien Eng - Chief Financial Officer (“CFO”)  
Ms Lim Wan Yinn - Representing UHY, the External Auditors  
Ms Te Hock Wee - Company Secretary

The attendance of shareholders/corporate representatives/proxies is as per the Summary of Attendance List via Remote Participation and Voting (“RPV”) facility.

**1. CHAIRMAN**

The Chairman of the Board, Dato’ Sri Lee Tuck Fook took the Chair and welcomed all shareholders, proxies and invitees who participated in the Company’s 10<sup>th</sup> AGM.

The Chairman informed that as a result of the implementation of the total lockdown in Malaysia, the 10<sup>th</sup> AGM was conducted fully virtual through TIIH online meeting platform.

The Chairman then introduced the Directors, CFO, Company Secretary and the representative of the External Auditors to the shareholders.

**2. NOTICE OF MEETING**

The notice of the 10<sup>th</sup> AGM (“Notice”), having been circulated to all the shareholders of the Company within the prescribed period, was taken as read.

**3. QUORUM**

The Chairman informed that for a fully virtual general meeting, the quorum would be determined by the number of members who logged-in at the commencement of the meeting. Upon confirming the presence of the requisite quorum, the Chairman called the Meeting to order.

**4. POLLING AND ADMINISTRATIVE MATTERS**

The Chairman informed the Meeting that pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the notice of general meeting must be voted by poll.

The Chairman further informed that the Company had appointed Tricor Investor & Issuing House Services Sdn. Bhd. as Poll Administrator to facilitate the poll voting process and Asia Securities Sdn. Berhad as independent scrutineers to verify the poll results. Pursuant to the Constitution of the Company, the Chairman demanded for a poll to be conducted on all resolutions set forth in the Notice.

The guide on remote voting procedures and the manner to pose questions at the Meeting via RPV application were then presented to the members.

**5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

The Audited Financial Statements of the Company for the financial year ended 31 December 2020 together with the Reports of the Directors and Auditors thereon, having been circulated to all the members of the Company within the statutory period, were tabled to the meeting for discussion.

The Chairman informed the Meeting that the Audited Financial Statements and the Reports were meant for discussion only as the Companies Act 2016 does not require a formal approval of shareholders. Hence, it would not be put forward for voting. Questions raised by shareholders or proxies were to be addressed during the Questions and Answers (“Q&A”) session, after all items on the agenda were dealt with.

Accordingly, the Chairman declared that the Audited Financial Statements of the Company together with the Reports of the Directors and Auditors thereon were duly received by the shareholders.

**6. ORDINARY RESOLUTIONS 1 TO 10**

The Chairman went through each of the motions set out in the Notice.

The Chairman informed the Meeting that the Company did not receive any notice from shareholders for other business to be transacted at this Meeting in accordance with the Constitution of the Company and the Companies Act 2016.

**7. Q&A SESSION**

The Meeting continued with the Q&A session. Questions raised by the shareholders that were submitted in advance of the Meeting and also at the Meeting were addressed by the Board and the CFO. The summary of the questions and the responses from the Board and the CFO, which forms part of this minutes, is set out in Appendix A attached therein.

**8. POLL VOTING SESSION**

After dealing with all questions raised, the shareholders and proxies were invited to cast their votes via RPV application.

Upon the closing of the voting session, the Meeting was then adjourned at 11.05 a.m. for the tabulation of poll results.

**9. ANNOUNCEMENT OF POLL RESULTS**

The Meeting resumed at 11.20 a.m. after obtaining the poll results from the Scrutineers. The results of the poll were presented to the Meeting. The Chairman declared that all resolutions set out in the Notice were duly passed by the shareholders of the Company, as follows:-

**ORDINARY RESOLUTION 1**  
**PAYMENT OF DIRECTORS’ FEES OF UP TO AN AGGREGATE AMOUNT OF RM384,000.00 FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2021, TO BE PAID QUARTERLY IN ARREARS**

By a vote of 309,001,711 shares (representing 99.9913%) voted for and 26,888 shares (representing 0.0087%) voted against the resolution, it was **RESOLVED:-**

THAT the payment of Directors' fees of up to an aggregate amount of RM384,000.00 for the financial year ending 31 December 2021, to be paid quarterly in arrears, be and is hereby approved.

**ORDINARY RESOLUTION 2**

**PAYMENT OF DIRECTORS' BENEFITS OF RM35,000.00 FROM THE DATE OF THE 10<sup>TH</sup> AGM UNTIL THE NEXT AGM OF THE COMPANY**

By a vote of 309,001,811 shares (representing 99.9913%) voted for and 26,788 shares (representing 0.0087%) voted against the resolution, it was **RESOLVED:-**

THAT the payment of Directors' benefits of RM35,000.00 from the date of the 10<sup>th</sup> AGM until the next AGM of the Company be and is hereby approved.

**ORDINARY RESOLUTION 3**

**RE-ELECTION OF DIRECTOR – WIE HOCK BENG**

By a vote of 309,007,311 shares (representing 99.9931%) voted for and 21,288 shares (representing 0.0069%) voted against the resolution, it was **RESOLVED:-**

THAT Wie Hock Beng who retired in accordance with Clause 76(3) of the Constitution of the Company be and is hereby re-elected as Director of the Company.

**ORDINARY RESOLUTION 4**

**RE-ELECTION OF DIRECTOR – SALWA BINTI SHAMSHUDDIN**

By a vote of 309,007,261 shares (representing 99.9931%) voted for and 21,338 shares (representing 0.0069%) voted against the resolution, it was **RESOLVED:-**

THAT Salwa Binti Shamshuddin who retired in accordance with Clause 76(3) of the Constitution of the Company be and is hereby re-elected as Director of the Company.

**ORDINARY RESOLUTION 5**

**RE-APPOINTMENT OF AUDITORS**

By a vote of 309,007,211 shares (representing 99.9931%) voted for and 21,388 shares (representing 0.0069%) voted against the resolution, it was **RESOLVED:-**

THAT UHY be and are hereby re-appointed as Auditors of the Company for the ensuing year AND THAT the Board of Directors be authorised to fix their remuneration.

**ORDINARY RESOLUTION 6**

**PROPOSED CONTINUATION IN OFFICE OF DATO' SRI LEE TUCK FOOK AS INDEPENDENT NON-EXECUTIVE DIRECTOR**

By a vote of 309,007,261 shares (representing 99.9931%) voted for and 21,338 shares (representing 0.0069%) voted against the resolution, it was **RESOLVED:-**

THAT approval be and is hereby given to Dato' Sri Lee Tuck Fook who has served as an Independent Non-Executive Director of the Company since 8 August 2012 and will reach the nine-year term limit on 8 August 2021 to continue to act as an Independent Non-

Executive Director of the Company until the conclusion of the next Annual General Meeting in accordance with the Malaysian Code on Corporate Governance.

**ORDINARY RESOLUTION 7**  
**PROPOSED CONTINUATION IN OFFICE OF LOH KONG FATT AS INDEPENDENT NON-EXECUTIVE DIRECTOR**

By a vote of 309,007,211 shares (representing 99.9931%) voted for and 21,388 shares (representing 0.0069%) voted against the resolution, it was **RESOLVED:-**

THAT approval be and is hereby given to Loh Kong Fatt who has served as an Independent Non-Executive Director of the Company since 8 August 2012 and will reach the nine-year term limit on 8 August 2021 to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting in accordance with the Malaysian Code on Corporate Governance.

**ORDINARY RESOLUTION 8**  
**AUTHORITY TO ISSUE AND ALLOT SHARES OF THE COMPANY PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

By a vote of 309,002,711 shares (representing 99.9916%) voted for and 25,888 shares (representing 0.0084%) voted against the resolution, it was **RESOLVED:-**

THAT pursuant to Sections 75 and 76 of the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer ("New Shares") from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, PROVIDED THAT the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 20% of the total number of issued shares (excluding any treasury shares) of the Company for the time being ("Proposed 20% General Mandate").

THAT such approval on the Proposed 20% General Mandate shall continue to be in force until 31 December 2021.

THAT with effect from 1 January 2022, the general mandate shall be reinstated from a 20% limit to a 10% limit pursuant to Paragraph 6.03 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer by the Company from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being ("Proposed 10% General Mandate").

THAT such approval on the Proposed 10% General Mandate shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting of the Company held after the approval was given;
- (b) the expiration of the period within which the next Annual General Meeting of the Company is required to be held after the approval was given; or
- (c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is earlier.

(The Proposed 20% General Mandate and Proposed 10% General Mandate shall hereinafter refer to as "Proposed General Mandate".)

THAT the Directors of the Company be and are hereby also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for such New Shares on the Main Market of Bursa Malaysia Securities Berhad.

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.

#### **ORDINARY RESOLUTION 9**

#### **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE")**

By a vote of 5,882,303 shares (representing 99.5618%) voted for and 25,888 (representing 0.4382%) voted against the resolution, it was **RESOLVED:-**

THAT subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company and/or its subsidiaries ("the Group") be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.4 of Part A of the Circular to Shareholders dated 28 May 2021 ("the Related Parties") provided that such transactions are:-

- (a) necessary for the Group's day-to-day operations;
- (b) undertaken in the ordinary course of business at arm's length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- (c) not detrimental to the interest of the minority shareholders of the Company.

THAT the authority conferred shall continue to be in force until:-

- (i) the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless by a resolution passed at such Annual General Meeting whereby the authority is renewed; or

- (ii) the expiration of the period within which the next Annual General Meeting of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (iii) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the best interest of the Company to give effect to the Proposed Renewal of Shareholders' Mandate.

**ORDINARY RESOLUTION 10**

**PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN ORDINARY SHARES ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY")**

By a vote of 309,003,111 shares (representing 99.9918%) voted for and 25,388 (representing 0.0082%) voted against the resolution, it was **RESOLVED:-**

THAT subject always to the Companies Act 2016, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and all other applicable laws, guidelines, rules and regulations, approval be and is hereby given for the Company 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 Malaysia Securities Berhad upon such terms and conditions as the Directors of the Company may deem fit and expedient in the interest of the Company provided that:-

- (a) the aggregate number of ordinary shares in the Company purchased and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company at any point in time;
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing its ordinary shares shall not exceed the total retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase; and
- (c) the Directors of the Company may decide either to retain the shares so purchased as treasury shares or cancel the shares so purchased or retain part of the shares so purchased and cancel the remainder or resell the treasury shares on Bursa Malaysia Securities Berhad or distribute the treasury shares as dividends or transfer the treasury shares under an employees' share scheme or as purchase consideration or otherwise use the treasury shares for such other purpose in the manner as prescribed by the applicable laws, guidelines, rules and regulations.

THAT the authority conferred by this resolution will be effective upon the passing of this resolution and will continue to be in force until:

- (a) the conclusion of the next Annual General Meeting of the Company, at which time it shall lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;

- (b) the expiration of the period within which the next Annual General Meeting of the Company after that date is required by law to be held; or
- (c) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own shares before the aforesaid expiry date and, in any event, in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps to implement, finalise and give full effect to the Proposed Renewal of Share Buy-Back Authority with full power to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities or as the Directors deem fit and expedient at their discretion in the best interest of the Company.

#### **10. CLOSURE**

The meeting concluded at 11.21 a.m. with a vote of thanks to the Chair.

#### **CONFIRMED AS A CORRECT RECORD**

#### **CHAIRMAN**

Dated: 9 August 2021

**PESONA METRO HOLDINGS BERHAD**  
**(201101029741) (957876-T)**  
(Incorporated in Malaysia)

**SUMMARY OF QUESTIONS AND ANSWERS FOR THE TENTH ANNUAL GENERAL MEETING (“10<sup>TH</sup> AGM”) OF THE COMPANY CONDUCTED FULLY VIRTUAL FROM THE ONLINE MEETING PLATFORM VIA TIIH ONLINE WEBSITE AT [HTTPS://TIIH.ONLINE](https://tiih.online) PROVIDED BY TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD. IN MALAYSIA ON MONDAY, 28 JUNE 2021 AT 10.30 A.M.**

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The following are questions received in advance and at the 10<sup>th</sup> AGM. Some of the questions have been moderated for brevity and clarity.

**Q1) Mr Tan Chai Heng, a shareholder, requested for e-wallet or vouchers to participants in this meeting.** *[similar question posed by Ms Tai Phoo Siew @ Thay Phoo Siew, Mr Teh Peng Tin, Ms Lee Suan Bee, Ms See Yoot Wah, Ms Chan Lai Yin, Mr Tan Eng Waun, Mr Chang Kok Pheng, Mr Tan Teng Chee, Ms Tan Shok Har, Mr Tan Kim Khuat, Encik Mohd Tahir Bin Maulut, Ms Teh Tua Tea @ Chen Mai Ying, Mr Kok Sak Lin and Ms Lum Pek Kam]*

A1) The Chairman responded that the Company does not provide door gifts to the participating shareholders at the past AGMs. Hence, the Company would like to maintain the same practice. However, the Company is looking forward to physical AGMs, when this becomes possible and will provide meals for shareholders in attendance at that time.

**Q2) Mr Teh Peng Tin, a shareholder, enquired on how much the Company had spent on this virtual AGM.**

A2) Mr Chong, the Chief Financial Officer, responded that the cost incurred for the 10<sup>th</sup> AGM is approximately RM20,000.

**Q3) Mr Chan Fung Han, a shareholder, enquired on the following:-**

(a) **The Group did not secure any new project during the financial year ended 31 December 2020 (“FY2020”). The order book as at 31 December 2020 stood at RM0.9 billion only i.e. revenue visibility over the next 1.5 years. What is the Group's strategy in cushioning the drop in revenue for the upcoming financial years?**

(b) **How much disposal value that the Group is seeking from divesting its manufacturing business? Whether there are any further losses to be borne by the Group? The reason of not disclosing the assets held-for-sale or discontinued operations in the audited accounts.**

(c) **As disclosed in page 36 of the Annual Report 2020, one of the Group's business risks is volatile material prices. In light of the spike in construction material prices lately, what is the impact to the Group's bottom line?**

- (d) **The reason why the increased in construction costs (14.79%) are higher than the increased in revenue (7.95%). Whether there is any revenue under-recognised given that the construction revenue is recorded based on percentage of completion method [as disclosed in page 97 of the Annual Report 2020].**
- (e) **The pre-tax discount rate used in impairment testing for goodwill on consolidation was 6% per annum, but the pre-tax discount rate used in impairment testing for concession rights was 10.63% per annum. He enquired on the differences [make reference to Note 6 – Intangible Assets, as envisaged under pages 129 and 130 of the Annual Report 2020].**
- (f) **Why the attributable profits of the on-going projects were so meagre, at 1.25% (FY2020) and 0.93% (FY2019) respectively [make reference to Note 11 – Contract Assets/(Liabilities), pages 135 and 136 of the Annual Report 2020].**

- A3) (a) Mr Wie Hock Kiong informed that the Company had secured a new contract in May 2021 which expanded its order book to slightly above RM1 billion. The Company has tendered for projects worth approximately RM3.0 billion. The Company targets the order book to increase by another RM500 million. Nevertheless, the Company remains cautious in tender submission amid the rising building material cost environment.

The Chairman added that the Management will endeavour to secure more projects and build up the order book so as to provide long term revenue visibility.

- (b) Mr Chong replied that the Company has yet to identify a buyer to take over its manufacturing business. Hence, the manufacturing assets were not classified as held-for-sale and discontinued operations in the audited accounts.
- (c) Mr Wie Hock Kiong responded that several mitigating measures have been put in place such as cost cutting, project margin analysis after the increased volatility in building material cost.
- (d) Mr Chong explained that the construction revenue was recognised based on the percentage of completion method. He confirmed that the construction revenue is properly recognised. Moreover, the accounts have been audited by the External Auditors.

The main reason construction costs increased 14.79% compared with revenue increase of 7.95%, was due to additional costs incurred for on-going projects, in particular, PM80-Unisza project which registered an additional cost of approximately RM10.0 million. In addition, the Group incurred approximately RM6.2 million for Covid-19 screening tests on all construction workers and provision of facilities or accommodation for foreign workers in order to adhere to the standard operating procedures enforced by the Government.

The Chairman added that the Management has taken a prudent approach when recognising the additional costs to be incurred for PM80-Unisza project.

- (e) Mr Chong explained that the impairment testing for goodwill arose from highway concessionaires whilst the impairment testing for concession rights arose from the 20-year concession for Student's Residential Building Blocks of University Malaysia Perlis.

The pre-tax discount rate of 10.63% used in the impairment testing for concession rights has been applied consistently throughout the period.

- (f) Mr Chong replied that only the construction costs incurred to-date (including foreseeable losses) and the attributable profits for the on-going projects are presented in the Note 11 to the accounts – Contract Assets/(Liabilities).

**Q4) Mr Leo Ann Puat, a shareholder, enquired on the following:-**

- (a) The expected outlook for the FY2021 as the Group registered a loss in the FY2020.**
- (b) Suggested to have a brief presentation on the Group's performance for the financial year under review and outlook of the Group at the forthcoming AGM.**

- A4) (a) Mr Chong replied that the Company was unable to comment on the outlook of the Company for the FY2021 amid the prolonged lockdown in Malaysia.

The Chairman added that there are a lot of uncertainties following the outbreak of Covid-19 pandemic and lockdown in Malaysia. The lockdown had caused disruptions to the Company's business operation. However, with positive progress in vaccination rate, the outlook for the construction industry will improve.

- (b) The Chairman took note of the suggestion and will arrange for a brief presentation at the next AGM.

**Q5) Mr Chow Tai Hee, a shareholder, requested the Board to circulate the questions and answers during the AGM to all shareholders.**

- A5) The minutes of the 10<sup>th</sup> AGM will be published on the Company's website soonest possible.