

# SUNWAY CONSTRUCTION GROUP BERHAD

(Company No. 1108506-W)

(Incorporation in Malaysia)

EXTRACT OF THE MINUTES OF THE SECOND ANNUAL GENERAL MEETING OF SUNWAY CONSTRUCTION GROUP BERHAD HELD AT GRAND BAHAMAS, LEVEL 12, SUNWAY RESORT HOTEL & SPA, PERSIARAN LAGOON, BANDAR SUNWAY, 47500 SUBANG JAYA, SELANGOR DARUL EHSAN ON THURSDAY, 9 JUNE 2016 AT 3.30 P.M.

- PRESENT : **Board of Directors:**  
Dato' Ir Goh Chye Koon (Chairman)  
Dato' Siow Kim Lun  
Dato' Dr Ir Johari Bin Basri  
Dato' Chew Chee Kin  
Datuk Kwan Foh Kwai  
Mr Chung Soo Kiong  
Mr Evan Cheah Yean Shin
- SHAREHOLDERS/  
PROXIES/GUESTS : As per Attendance Lists
- IN ATTENDANCE : Mr Tan Kim Aun – Company Secretary
- BY INVITATION : Ms Ng Bee Lien – Chief Financial Officer  
BDO – External Auditors  
BDO – Independent Scrutineer

## **CONFIRMATION OF NOTICE SENT**

Upon enquiry from Dato' Chairman, the Secretary confirmed that the notice convening the Meeting had been duly sent to all members and with the permission of the members, it was taken as read.

### **1.0 ORDINARY RESOLUTION 8**

#### **• Proposed Shareholders' Ratification and Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

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Dato' Chairman informed the members that he would like to propose that the voting of Ordinary Resolution 8 be carried out by way of poll in accordance with Article 73 of the Company's Articles of Association.

Since the poll voting required more time for the result calculation, Dato' Chairman proposed that Ordinary Resolution 8 be brought forward as the first agenda of the Meeting. As there was no objection from the floor, Dato' Chairman proceeded to table Ordinary Resolution 8 to the members.

Dato' Chairman briefed the members on the subject matter. He then explained the procedures for conducting the poll and further informed that Messrs BDO had been appointed as the independent scrutineer for the polling exercise.

Based on the members and proxies who were present and voted, the resolution was duly passed with 223,379,077 ordinary shares (approximately 100%) voted for the resolution and 74 ordinary shares voted against the resolution.

**It was hereby RESOLVED:**

THAT all the recurrent related party transactions entered into by the Company and its subsidiaries from 28 July 2015, being the date of listing until the date of this 2nd Annual General Meeting ("AGM") as set out in Section 2D of the Circular to Shareholders dated 29 April 2016 which were necessary for the day-to-day operations and carried out in the ordinary course of business on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company, be and are hereby approved and ratified.

THAT approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions from time to time, which are necessary for the day-to-day operations as set out in Section 2D of the Circular to Shareholders dated 29 April 2016 which are of a revenue or trading nature and carried out in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company, subject to the compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, Companies Act, 1965 ("the Act"), the Company's Memorandum and Articles of Association and all other applicable laws, guidelines, rules and regulations.

THAT such authority shall commence upon the passing of this resolution and shall continue to be in force until:-

- (a) the conclusion of the next AGM of the Company at which time the mandate will lapse, unless by a resolution passed at the next AGM, the mandate is renewed; or
- (b) the expiration of the period within which the next AGM of the Company is required to be held
- (c) pursuant to Section 143(1) of the Act (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (d) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

THAT authority be and is hereby given to the Directors of the Company to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.

**2.0 AUDITED FINANCIAL STATEMENTS, DIRECTORS' AND AUDITORS' REPORTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

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The Chairman proceeded to the next agenda which was to table the Audited Financial Statements for the financial year ended 31 December 2015 together with the Directors' and Auditors' Reports thereon.

Dato' Chairman then opened the floor for questions. Mr Wan, a shareholder, congratulated the Board and Management for achieving remarkable financial results for year 2015. He then enquired on the status of order book replenishment as well as the progress of the legal settlement with regard to the Al-Reem Project. He enquired whether it was a commercial norm to monetize the properties and the value of the land of the Al Reem Project.

In respect to the order book, the Company had achieved a record high of RM5 billion. The 2 biggest projects were the Parcel F Project and the MRT 2 Project. The precast business in Singapore contributed approximately 13% to the total revenue of the Company. Management had targeted an order book replenishment of RM2.5 billion for 2016 and to date, RM2 billion of order book had been secured. Management was confident of exceeding the target this year if all infrastructure projects were rolled out as anticipated.

In relation to the Al-Reem Project, Mr Chung explained that the settlement for the project was made in kind, which comprised of 6 floors of an office building and a piece of vacant land with development rights. The Consortium (which the Company's subsidiary was one of the party) had monetized the payment in kind by disposing 5 floors of the office building while the disposal of the land was still in progress. As the deals were in Dirham, the Company had further benefited from the favourable foreign exchange rate. He commented that the Al-Reem Project was a successful venture with good profit margin.

Dato' Chairman opined that it was a wise decision to monetise the properties in view that the Company had made decent profits from the transaction as well as forex gain.

Mr Wan suggested that Management should develop the vacant land in order to enhance its value for subsequent disposal. Dato' Chairman was of the view that developing the land would probably take 2 to 3 years to complete and at the same time, the property market was in an oversupply situation in Abu Dhabi. Thus, it would be good for the Company to monetise the land whenever there is a good offer.

The Chief Financial Officer, Ms Ng Bee Lien, confirmed that the potential sale of the land had not been factored into the books of the Company. Once the land had been monetized, it would contribute positively to the earnings of the Company.

There being no further question from the floor, Dato' Chairman proceeded to the next agenda.

### **3.0 ORDINARY RESOLUTION 1**

#### **• Payment of Directors' Fees**

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On the motion duly proposed and seconded, the members **RESOLVED THAT** the payment of Directors' fees amounting to RM500,000/- for the financial year ended 31 December 2015 be hereby approved.

### **4.0 ORDINARY RESOLUTION 2, 3 AND 4**

#### **• Re-election of retiring directors pursuant to the Company's Articles of Association**

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In accordance with Article 107 of the Company's Articles of Association, Datuk Kwan Foh Kwai and Mr Evan Cheah Yean Shin, who retired by rotation and being eligible, had offered themselves for re-election.

In accordance with Article 90 of the Company's Articles of Association, Mr Chung Soo Kiong retired by casual vacancy and being eligible, had offered himself for re-election.

**ORDINARY RESOLUTION 2**

On the motion duly proposed and seconded, the members **RESOLVED THAT** Datuk Kwan Foh Kwai be hereby re-elected as a Director of the Company.

**ORDINARY RESOLUTION 3**

On the motion duly proposed and seconded, the members **RESOLVED THAT** Mr Evan Cheah Yean Shin be hereby re-elected as a Director of the Company.

**ORDINARY RESOLUTION 4**

On the motion duly proposed and seconded, the members **RESOLVED THAT** Mr Chung Soo Kiong be hereby re-elected as a Director of the Company.

**5.0 ORDINARY RESOLUTION 5**

- **Re-appointment of Dato' Chew Chee Kin who is over the age of 70 years as Director of the Company pursuant to Section 129 of the Companies Act, 1965**
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In accordance with Section 129 of the Companies Act, 1965, Dato' Chew Chee Kin who was over the age of 70 years, vacated office as Director of the Company.

On the motion duly proposed and seconded, the members **RESOLVED THAT** Dato' Chew Chee Kin be hereby re-appointed as a Director of the Company.

**6.0 ORDINARY RESOLUTION 6**

- **Re-appointment of Messrs BDO as Auditors of the Company**
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On the motion duly proposed and seconded, the members **RESOLVED THAT** Messrs BDO be hereby re-appointed as Auditors of the Company for the ensuing year until the next Annual General Meeting at a remuneration to be fixed by the Directors.

**7.0 ORDINARY RESOLUTION 7**

- **Authority to Issue Shares Pursuant to Section 132D of the Companies Act, 1965**
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On the motion duly proposed and seconded, the members **RESOLVED:-**

THAT subject always to the Companies Act, 1965, 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 Section 132D of the Companies Act, 1965 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 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 Annual General Meeting of the Company.

## **8.0 ORDINARY RESOLUTION 9**

### **• Proposed Authority for the Purchase of Own Shares by the Company**

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On the motion duly proposed and seconded, the members **RESOLVED:-**

THAT subject to the Companies Act, 1965 ("the Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authorities, the Company be and is hereby authorised to purchase such amount of ordinary shares of RM0.20 each 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 of RM0.20 each in the Company ("SunCon Shares") 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 of time, subject to a restriction that the issued and paid-up share capital of the Company does not fall below the applicable minimum share capital requirements of the Main Market Listing Requirements of Bursa Securities;
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing the SunCon Shares shall not exceed the Company's audited retained profits and/or share premium account at any point of time;
- (c) the authority conferred by this resolution will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:-
  - (i) the conclusion of the next Annual General Meeting ("AGM") at which time it shall lapse unless by Ordinary Resolution passed at the 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; and

- (d) upon completion of the purchase(s) of the SunCon Shares by the Company, the Directors of the Company be and are hereby authorised to cancel the SunCon Shares so purchased or to retain the SunCon Shares so purchased as treasury shares (of which may be distributed as dividends to shareholders and/or resold on Bursa Securities and/or subsequently cancelled), or to retain part of the SunCon Shares so purchased as treasury

shares and cancel the remainder and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act, the Main Market Listing Requirements of Bursa Securities and any other relevant authorities for the time being in force.

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 effect the purchase(s) of the SunCon Shares with full powers 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.

## **CONCLUSION**

There being no other business, the Meeting closed at 4.20 p.m. with a vote of thanks to the Chair and to those present.