

TALIWORKS CORPORATION BERHAD (6052-V)
(Incorporated in Malaysia)

MINUTES OF EXTRAORDINARY GENERAL MEETING

Date : Friday, 18 September 2015

Time : 9.30 a.m.

Venue : Ballroom 1, Lower Ground Level, Eastin Hotel
13 Jalan 16/11
Pusat Dagangan
Seksyen 16
46350 Petaling Jaya
Selangor Darul Ehsan

	<u>Attendance for FY 2015</u>
Present	
: Tan Sri Ong Ka Ting (Chairman, Senior Independent Non-Executive Director)	2 / 2
: Mr Lim Yew Boon (Executive Director)	2 / 2
: Mr Lim Chin Sean (Non-Independent Non-Executive Director)	2 / 2
: Mr Soong Chee Keong (Independent Non-Executive Director)	2 / 2
: Mr Vijay Vijendra Sethu (Non-Independent Non-Executive Director)	2 / 2
: Dato' Sri Amrin Awaluddin (Independent Non-Executive Director)	2 / 2
: Raja Datuk Zaharaton Binti Raja Dato' Zainal Abidin (Independent Non-Executive Director)	1 / 1
: En. Ahmad Jauhari Bin Yahya (Independent Non-Executive Director)	1 / 1
: Shareholders and Proxy Holders – as per attendance lists	
In Attendance	
: Mr Victor Wong Voon Leong – General Manager, Group Finance	
: Mr Kevin Chin Soong Jin – Chief Investment Officer	
: Ms Tan Bee Hwee – Company Secretary	

ACTION

1. CHAIRMAN

1.1 Tan Sri Ong Ka Ting (“Tan Sri Chairman”) chaired the meeting.

2. WELCOMING ADDRESS

2.1 Tan Sri Chairman welcomed all present at the Extraordinary General Meeting of the Company and called the meeting to order at 9.30 a.m.

ACTION

3. OPENING SPEECH

3.1 Tan Sri Chairman introduced the Board members, Senior Management and the Secretary to the meeting.

3.2 He also took the opportunity to welcome Raja Datuk Zaharaton Binti Raja Dato' Zainal Abidin ("Raja Datuk Zaharaton") and En. Ahmad Jauhari Bin Yahya ("En. Ahmad Jauhari") as new Board members and expressed confidence that both Raja Datuk Zaharaton and En. Ahmad Jauhari would be able to contribute and add value to the Board.

4. QUORUM

4.1 The Secretary confirmed there was a quorum for the meeting.

5. NUMBER OF PROXIES

5.1 The Secretary informed that the total number of proxy forms received within the prescribed period was 113 copies, representing a total of 370,504,119 shares of RM0.50 each of the issued and paid-up share capital of the Company out of which 362,941,827 shares were with voting instructions to vote for all the motions proposed at the meeting.

6. NOTICE

6.1 The notice of meeting, having been circulated earlier, was taken as read.

7. PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF TALIWORKS CORPORATION BERHAD ("TCB")

7.1 On the proposal of Mr Leong Shing Fook ("Mr Leong") and seconded by Mr Poravi A/L S P Sithambaram Pillay ("Mr Poravi"), it was unanimously resolved:

**SPECIAL RESOLUTION
PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF TCB ("PROPOSED AMENDMENTS")**

"THAT subject to the passing of Ordinary Resolution 1 below, approval be and is hereby given for the Memorandum and Articles of Association of the Company to be altered, modified, varied and deleted in the following manner:

ACTION

Memorandum of Association	
Existing Clause 5	Proposed Clause 5
The share capital of the Company is Ringgit Malaysia Five Hundred Million (RM500,000,000.00) divided into One Billion (1,000,000,000) ordinary shares of Fifty Sen (RM0.50) each with the power to divide the shares in the capital for the time being into several classes and with the power to attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or restrictions as to dividend, capital, voting or otherwise.	The share capital of the Company is Ringgit Malaysia Five Hundred Million (RM500,000,000.00) divided into Two Billion and Five Hundred Million (2,500,000,000) ordinary shares of Twenty Sen (RM0.20) each with the power to divide the shares in the capital for the time being into several classes and with the power to attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or restrictions as to dividend, capital, voting or otherwise.

Articles of Association	
Existing Article 4	Proposed Article 4
SHARES	SHARES
Share Capital. The authorised capital of the Company is Ringgit Malaysia Five Hundred Million only (RM500,000,000.00) divided into One Billion (1,000,000,000) ordinary shares of Fifty Sen (RM0.50) each all rank pari passu with one another.	Share Capital. The authorised capital of the Company is Ringgit Malaysia Five Hundred Million only (RM500,000,000.00) divided into Two Billion and Five Hundred Million (2,500,000,000) ordinary shares of Twenty Sen (RM0.20) each all rank pari passu with one another.

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all acts and things as may be required to give effect to the Proposed Amendments with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities or as may be deemed necessary by the Board and in the best interests of the Company, and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as the Board may deem necessary or expedient to implement, finalise and give full effect to the Proposed Amendments.”

8. **PROPOSED SHARE SPLIT INVOLVING THE SUBDIVISION OF EVERY TWO (2) EXISTING ORDINARY SHARES OF RM0.50 EACH IN TCB HELD BY THE ENTITLED SHAREHOLDERS OF TCB ON AN ENTITLEMENT DATE TO BE DETERMINED LATER INTO FIVE (5) ORDINARY SHARES OF RM0.20 EACH IN TCB**

ACTION

8.1 At this juncture, the following questions were raised by the shareholders and the replies from the Management were noted as follows:

8.1.1 **Question 1 [Choong Peng Hin (“Mr Choong”)]:**

In page 2 of the Circular to Shareholders, it states that “*For the avoidance of doubt, the Proposed Share Split is expected to be implemented after the completion of the Private Placement.*”

It has been announced that the Private Placement has been extended to 16 March 2016. Would this affect the completion of the Proposed Share Split?

Reply 1 [Mr Kevin Chin Soong Jin (“Mr Kevin Chin”)]:

It was our intention for the Private Placement exercise to be completed first before the book closure for the Proposed Share Split.

The Private Placement exercise would be continued in the near future and therefore, the implementation of the Proposed Share Split and Proposed Free Warrants Issue would be on track in the coming months.

8.1.2 **Question 2 (Mr Choong):**

Are you saying that the Proposed Share Split would come first, followed by the Private Placement?

Reply 2 (Mr Kevin Chin):

The Private Placement would come first before the book closure for Proposed Share Split and Proposed Free Warrants Issue so that the private placees would also be entitled to the share split and free warrant issue.

8.1.3 **Question 3 (Mr Choong):**

Did you foresee any delay in the Private Placement, Proposed Share Split and Proposed Free Warrants Issue exercises?

Reply 3 (Mr Kevin Chin):

All these exercises would be completed as scheduled.

Reply 3 (Tan Sri Chairman):

I think your concern is whether there would be any delay in the completion of the exercises until March 2016. You do not need to worry about that because the Private Placement expired on 17 September 2015 and Management had sought Bursa Malaysia Securities Berhad’s approval for an extension of six months to complete the Private Placement until 16 March 2016. It does not mean that the Private Placement will be delayed until March next year.

ACTION

8.1.4 **Question 4 (Mr Choong):**

In page 12 of the Circular to Shareholders, it states that “As at the LPD, the additional capital expenditure is estimated to be RMB653 million and the management envisages all 4 wastewater treatment plants will be completed for upgrade and expansion by 2017.”

With the depreciation in RMB, I would like to know the source of funding of this investment and the rate of return.

Reply 4 (Mr Kevin Chin):

The investment in CAPEX in China assets has always been foremost in the Directors’ mind. In the past, you would see that any investment in China would be done in small equity and borrowing basis (via borrowing 70% in China and 30% equity in Malaysia).

Moving forward, there might be substantial effect on whatever investment in Malaysia. The Board has not made any decision at this point of time but it is a foreseeable CAPEX. When decision is made, an appropriate announcement will be made to Bursa Malaysia Securities Berhad. But no decision has been made by the Board as of today.

8.2 On the proposal of Mr Poravi and seconded by Mr Leong, it was unanimously resolved:

**ORDINARY RESOLUTION 1
PROPOSED SHARE SPLIT INVOLVING THE SUBDIVISION OF EVERY TWO (2) EXISTING ORDINARY SHARES OF RM0.50 EACH IN TCB HELD BY THE ENTITLED SHAREHOLDERS OF TCB ON AN ENTITLEMENT DATE TO BE DETERMINED LATER INTO FIVE (5) ORDINARY SHARES OF RM0.20 EACH IN TCB (“PROPOSED SHARE SPLIT”)**

“THAT subject to the passing of Special Resolution 1 above as well as the approvals being obtained from all the relevant regulatory authorities and/or parties (where required) including but not limited to the approval of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) for the Proposed Share Split, the Company be and is hereby authorised to subdivide every two (2) existing ordinary shares of RM0.50 each in TCB into five (5) ordinary shares of RM0.20 each in TCB (“**TCB Shares**” or “**Shares**”) and that the TCB Shares shall, upon allotment and issue, rank pari passu in all respects with each other save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment of the TCB Shares;

THAT the Proposed Share Split will be applied for ordinary shares in TCB held by the registered shareholders of the Company, whose names appear in the Record of Depositors of TCB at the close of business on an entitlement date to be determined and announced later by the Directors of the Company (“**Entitlement Date**”);

ACTION

THAT the Board be and is hereby authorised to deal with any fractional entitlements of the TCB Shares that may arise from the Proposed Share Split, if any, in such manner as the Board shall in its absolute discretion deem fit and expedient and in the best interests of the Company;

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all acts and things as may be required to give full effect to the Proposed Share Split with full power to assent to any conditions, variations, modifications, and/or amendments in any manner as may be required or permitted by any relevant authorities or as may be deemed necessary by the Board and in the best interests of the Company, and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as the Board may deem necessary or expedient to implement, finalise and give full effect to the Proposed Share Split.”

9. PROPOSED ISSUE OF UP TO 241,929,369 FREE WARRANTS IN TCB (“WARRANTS”) ON THE BASIS OF ONE (1) WARRANT FOR EVERY FIVE (5) EXISTING TCB SHARES HELD BY THE ENTITLED SHAREHOLDERS OF TCB AFTER THE PROPOSED SHARE SPLIT ON AN ENTITLEMENT DATE TO BE DETERMINED LATER

9.1 On the proposal of Mr Poravi and seconded by Mr Leong, it was unanimously resolved:

**ORDINARY RESOLUTION 2
PROPOSED ISSUE OF UP TO 241,929,369 FREE WARRANTS IN TCB (“WARRANTS”) ON THE BASIS OF ONE (1) WARRANT FOR EVERY FIVE (5) EXISTING TCB SHARES HELD BY THE ENTITLED SHAREHOLDERS OF TCB AFTER THE PROPOSED SHARE SPLIT ON AN ENTITLEMENT DATE TO BE DETERMINED LATER (“PROPOSED FREE WARRANTS ISSUE”)**

“THAT subject to the passing of Special Resolution 1 and Ordinary Resolution 1 above as well the approvals being obtained from all the relevant regulatory authorities and/or parties (where required) including but not limited to the approval of Bursa Securities for the admission of up to 241,929,369 Warrants to the Official List of Bursa Securities as well as for the listing of and quotation for the Warrants and the new TCB Shares arising from the exercise of the Warrants on the Main Market of Bursa Securities, the Company be and is hereby authorised to issue up to 241,929,369 Warrants in registered for m and constituted by a deed poll (“Deed Poll”) to the registered shareholders of the Company, whose names appear in the Record of Depositors of the Company as at the close of business on the Entitlement Date, on the basis of one (1) Warrant for every five (5) existing TCB Shares held in the share capital of the Company by the entitled shareholders on the Entitlement Date;

ACTION

THAT the exercise price of the Warrants shall be determined by the Board at a premium of at least 15.0% over the theoretical ex-price of TCB shares after receipt of all relevant approval but before the entitlement date and shall not be lower than the par value of TCB Shares, subject to any adjustments in accordance with the terms and conditions of the Deed Poll and that the Board be and is hereby authorised to allot and issue new TCB Shares arising from the exercise of the Warrants in accordance with the terms and conditions of the Deed Poll and such TCB Shares shall, upon allotment and issue, rank pari passu in all aspects with the then existing issued and paid-up TCB Shares, save and except that the TCB Shares will not be entitled to any dividends, rights, allotments and/or other forms of distribution where the entitlement date precedes the relevant date of allotment and issuance of the TCB Shares;

THAT the Board be and is hereby authorised to deal with any fractional entitlements of the Warrants that may arise from the Proposed Free Warrants Issue, if any, in such manner as the Board shall in its absolute discretion deem fit and expedient and in the best interests of the Company;

THAT the Board be and is hereby authorised to agree, finalise, enter into, execute and deliver for and on behalf of the Company the Deed Poll constituting the Warrants with full power to assent to any conditions, modifications, variations and/or amendments as may be required or permitted by the relevant authorities or as may be deemed necessary by the Board, and to deal with all matters relating thereto and to take all steps and do all acts and things in any manner as the Board may deem necessary or expedient to implement, finalise and give full effect to the Deed Poll and that the Common Seal of the Company be affixed to the Deed Poll in accordance with the Articles of Association of the Company;

THAT the Board be hereby authorised to allot and issue such appropriate number of additional Warrants (“**Additional Warrants**”) in accordance with the provisions of the Deed Poll, including any Additional Warrants as may be required or permitted to be issued as a consequence of any adjustment in accordance with the provisions of the Deed Poll and to adjust from time to time the exercise price and/or number of Warrants to which the holders of the Warrants are entitled to be issued as a result of an adjustment in accordance with the provisions of the Deed Poll;

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all things and acts as may be required to give effect to the Proposed Free Warrants Issue with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities or as may be deemed necessary by the Board and in the best interest of the Company, and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as the Board may deem necessary or expedient to implement, finalise and give full effect to the Proposed Free Warrants Issue.”

ACTION

10. CLOSURE OF MEETING

- 10.1 There, being no further business, the meeting closed at 9.58 a.m. with a vote of thanks to the Chair.

Date: 18 September 2015

READ AND CONFIRMED BY

CHAIRMAN