

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

MINUTES OF EXTRAORDINARY GENERAL MEETING

Date : Tuesday, 10 May 2016

Time : 11.00 a.m. or immediately after the conclusion of the Twenty Fifth Annual General Meeting of the Company, whichever is later, or at any adjournment thereof

Venue : Maple Junior Ball
Level C
One World Hotel
First Avenue, Bandar Utama City Centre
47800 Selangor Darul Ehsan

| | <u>Attendance for FY 2016</u> |
|---|-----------------------------------|
| Present : Tan Sri Ong Ka Ting (Chairman, Senior Independent Non-Executive Director) | 2 / 2 |
| : Dato' 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) | 2 / 2 |
| : En. Ahmad Jauhari Bin Yahya (Independent Non-Executive Director) | 2 / 2 |
| : Shareholders and Proxy Holders – as per attendance lists | |
| In Attendance : Mr Kevin Chin Soong Jin – Chief Investment Officer | |
| : Mr Victor Wong Voon Leong – General Manager, Group Finance | |
| : Ms Queck Wai Fong – Company Secretary | |

ACTION

1. CHAIRMAN

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

2. WELCOME ADDRESS

Tan Sri Chairman welcomed all present at the Extraordinary General Meeting of the Company and called the meeting to order at 11.40 a.m.

ACTION

3. **QUORUM**

The Secretary confirmed there was a quorum for the meeting.

4. **NUMBER OF PROXIES**

The Secretary informed that the total number of proxy forms received within the prescribed period was 102, representing 392,295,080 shares of RM0.20 each in the issued and paid-up share capital of the Company out of which 343,754,915 shares were with voting instructions to vote for all the motions proposed at the meeting.

5. **NOTICE**

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

6. (A) **PROPOSED DISPOSALS BY THE COMPANY TO LGB GROUP (HK) LIMITED (“LGB HK”) OF THE COMPANY’S ENTIRE INVESTMENT IN THE PEOPLE’S REPUBLIC OF CHINA (“PRC”) COMPRISING:**

- (A) **THE ENTIRE EQUITY INTEREST HELD IN TALIWORKS INTERNATIONAL LIMITED (“TIL”);**
- (B) **80% EQUITY INTEREST HELD IN TALIWORKS (SICHUAN) LIMITED (“TSL”);**
- (C) **THE ENTIRE EQUITY INTEREST HELD IN SWM TECHNOLOGIES (MALAYSIA) SDN BHD (“SWMT”); AND**
- (D) **THE ASSIGNMENT FROM THE COMPANY TO LGB HK OF ALL OUTSTANDING SHAREHOLDERS’ LOANS AND/OR SHAREHOLDERS’ ADVANCES OWING BY TIL AND TSL TO THE COMPANY AS AT 25 FEBRUARY 2016**

FOR A TOTAL CASH CONSIDERATION OF UNITED STATES DOLLARS 54.6 MILLION (THE “PROPOSED DISPOSALS”)

- (B) **PROPOSED ACQUISITION BY THE COMPANY FROM CONSEEC GALI SDN BHD (“CGSB”) AND ESYS MONTENAY (MALAYSIA) SDN BHD (“EMSB”)**

ACTION

OF 35% OF THE ISSUED AND PAID-UP ORDINARY SHARES IN SWM ENVIRONMENT HOLDINGS SDN BHD (“SWMH”) FOR A CASH CONSIDERATION OF RM245.0 MILLION (THE “PROPOSED ACQUISITION”, TOGETHER WITH THE PROPOSED DISPOSALS ARE REFERRED TO AS THE “PROPOSALS”)

- 6.1 Tan Sri Chairman said the resolution for the Proposals required a simple majority of more than 50% votes cast by the shareholders and proxy holders entitled to attend and vote.
- 6.2 The interested Director (Mr Lim Chin Sean), interested shareholders (namely Dato’ Lim Chee Meng, Mr Lim Chin Sean, LGB Holdings Sdn Bhd, Tali-Eaux Sdn Bhd, Water Clinic Sdn Bhd, Anekawal Sdn Bhd, Adil Cita Sdn Bhd, Malar Terang Sdn Bhd, Century General Water (M) Sdn Bhd, Mal Monte Sdn Bhd, LGB Engineering Sdn Bhd and GSL Development Sdn Bhd), Dato’ Lim Yew Boon and persons connected with them would abstain from voting in respect of their direct and indirect shareholdings in the Company on the resolution pertaining to the Proposals.
- 6.3 Tan Sri Chairman then invited questions from the floor. Since there were no questions from the floor, Tan Sri Chairman sought the name of the proposer and seconder to the ordinary resolution pertaining to the Proposals.
- 6.4 The following ordinary resolution on the Proposals was proposed by Mr Mootha Kumaran Bass and seconded by Mr Muniandy A/L Karishnan:

“**THAT** subject to the relevant approvals being obtained from all relevant authorities, approval be and is hereby given for the Company to carry out and to implement all transactions contemplated herein in relation to the following:

- (i) the disposal by the Company to LGB HK of the Company’s entire investment in the PRC comprising:
- (a) 100 ordinary shares at HKD100 in aggregate in TIL, representing the entire equity interest in TIL;
 - (b) 12,000,000 ordinary shares at HKD12,000,000 in aggregate in TSL, representing 80% equity interest in TSL;
 - (c) 100 ordinary shares of RM1.00 each in SWMT and 19,000,000 redeemable non-cumulative preference shares of RM0.01 each in SWMT, representing the entire equity interest in SWMT; and
 - (d) the assignment from the Company to LGB HK of all

ACTION

outstanding shareholders' loans and/or shareholders' advances owing by TIL and TSL to the Company as at 25 February 2016

for a total cash consideration of USD54.6 million (equivalent to approximately RM230.0 million) in accordance with the terms and conditions of the conditional share sale agreement dated 25 February 2016 entered into between the Company and LGB HK; and

- (ii) the acquisition of 3,501 ordinary shares of RM1.00 each, representing 35% of the total issued and paid-up ordinary shares in SWMH by the Company from CGSB and EMSB, for an aggregate cash consideration of RM245.0 million, in accordance with the terms and conditions of the conditional share purchase agreement dated 25 February 2016 entered into between the Company, CGSB and EMSB.

AND THAT the Board of Directors of the Company be and is hereby authorised to carry out all such acts, deeds and things deemed necessary or expedient to give full effect to implement all transactions contemplated therein in the Proposals, for and on behalf of the Company and in the best interest of the Company, with full powers to assent to any conditions, modifications, variations and/or amendments to the terms of the Proposals as may be required by any relevant authorities and to execute, deliver and/or cause to be delivered such documents and agreements in connection therewith.”

- 6.5 Tan Sri Chairman said he demanded for the ordinary resolution on the Proposals to be voted by poll in accordance with Article 62(a) of the Company's Articles of Association. He continued that the e-polling process would be conducted by Symphony Share Registrars Sdn Bhd (“Symphony”) as the poll administrator and Messrs Deloitte as the independent scrutineer to verify the results of the poll.
- 6.6 Tan Sri Chairman then requested En Mohamed Sophiee Ahmad Nawawi, the representative from Symphony, to brief the meeting on the poll procedures and to read out the poll procedures to the meeting. The meeting then proceeded to e-polling.
- 6.7 At this juncture, Tan Sri Chairman adjourned the meeting at 11.50 a.m. for 30 minutes for the votes to be counted and verified.
- 6.8 At 12.20 p.m., the meeting resumed and Tan Sri Chairman announced the result of the poll as follows:

| | Vote for | | Vote against | |
|---------------------|--------------|-----|--------------|---|
| | No. of votes | % | No of votes | % |
| Ordinary resolution | 393,747,336 | 100 | 0 | 0 |

ACTION

6.9 Tan Sri Chairman concluded that the ordinary resolution on the Proposals was carried.

7. CLOSURE OF MEETING

There being no further business, the meeting closed at 12.22 p.m. with a vote of thanks to the Chair.

Date: 10 May 2016

READ AND CONFIRMED BY

CHAIRMAN