

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or "the Company")**  
[Registration No. 201101019901 (948035-U)]  
(Incorporated in Malaysia)

MINUTES OF THE TENTH ANNUAL GENERAL MEETING OF THE COMPANY HELD AND CONDUCTED VIRTUALLY VIA REMOTE PARTICIPATION AND VOTING AT THE BROADCAST VENUE AT NO. 26, JALAN UTARID U5/14, SEKSYEN U5, 40150 SHAH ALAM, SELANGOR DARUL EHSAN ("**BROADCAST VENUE**") ON THURSDAY, 25 NOVEMBER 2021 AT 10:00 A.M.

---

**DIRECTORS PRESENT AT BROADCAST VENUE** : Mr. Lim Ah Hock (Executive Chairman)  
Mr. Paul Lim Pay Chuan (*Managing Director and Group Chief Executive Officer*)  
Mr. Stanley Lim Peir Sheng (*Executive Director*)  
Ir. Amir Bin Yahya (*Independent Non-Executive Director*)  
Mr. Ng Chee Hoong (*Independent Non-Executive Director*)  
Ms. Hoo Siew Lee (*Independent Non-Executive Director*)

**IN ATTENDANCE** : Ms. Lynda Pan Seng Wee (*Company Secretary*)  
Ms. Teh Bee Choo (*Chief Financial Officer*)  
Mr. Hooi Kok Mun (*Messrs. Grant Thornton Malaysia PLT*) (*Participated Remotely*)  
Ms. Lee Sheau Wei (*Messrs. Grant Thornton Malaysia PLT*) (*Participated Remotely*)

**MEMBERS** : As per Attendance List

**PROXY HOLDERS** : As per Attendance List

**INVITEES** : As per Attendance List

**CHAIRMAN**

Mr. Lim Ah Hock, the Chairman of the Company, was in the Chair.

**WELCOMING ADDRESS BY CHAIRMAN**

On behalf of the Board of Directors ("**Board**"), the Chairman welcomed and thanked all present for participating in the Tenth Annual General Meeting ("**10th AGM**" or "**Meeting**") of the Company from various locations through live streaming.

The Chairman informed the Meeting that as part of the safety measures in view of the Coronavirus disease ("**Covid-19**") pandemic and in line with the Guidance and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia, the Board had decided that the 10th AGM of the Company be held on a virtual basis via live streaming and online voting from the Broadcast Venue using remote participation and voting facilities ("**RPV**"), without physical attendance by shareholders, proxies and corporate representatives.

The Chairman introduced members of the Board, the Company Secretary and the Management Team who were physically present at the Broadcast Venue. The representatives of Messrs. Grant Thornton Malaysia PLT, the External Auditors, who

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
[Registration No. 201101019901 (948035-U)]  
(Incorporated in Malaysia)

(Minutes of the Tenth Annual General Meeting held on 25 November 2021 - cont'd)

joined the Meeting virtually via video-conferencing were also introduced to all shareholders.

**QUORUM**

Ms. Lynda Pan Seng Wee ("**Ms. Lynda Pan**"), the Company Secretary confirmed that a quorum was present in accordance with Article 96 of the Company's Constitution.

With the requisite quorum being present, the Chairman declared the Meeting duly convened.

The Chairman advised the Meeting that the Company was using 18 November 2021 as the determinant date of the General Meeting Record of Depositors, being the cut-off date for determining who should be entitled to participate in the 10th AGM.

**NOTICE OF MEETING**

The Notice convening the Meeting dated 27 October 2021 having been circulated within the prescribed period was, with the permission of the Meeting, taken as read.

**POLLING AND VOTING PROCEDURES**

The Chairman invited the Company Secretary, Ms. Lynda Pan to give an overview of the polling and voting procedures at this Meeting.

She informed the Meeting that in compliance with the Market Listing Requirements of Bursa Malaysia Securities Berhad, all the proposed resolutions set out in the Notice convening the Meeting would be voted by poll. The shareholders and proxies who were attending the Meeting remotely, were advised of their rights to ask questions in relation to the Agenda items for the Meeting and vote on the resolutions to be tabled at the 10th AGM.

She highlighted that the Company had taken all efforts and tried its best to ensure a smooth live streaming. However, the quality of the broadcast may be affected by the participants' own internet bandwidth connection and stability.

The Meeting was informed that since there was no legal requirement for a proposed resolution to be seconded, the Chairman would take the Meeting through each item on the Agenda. Shareholders and proxies may proceed to cast and submit their votes from the start of the Meeting, should they wish to, until the closure of the voting session to be announced. Alternatively, shareholders may also cast and submit their votes after all the resolutions were being read out.

Ms. Lynda Pan further informed that the Chairman of the Meeting had been appointed as proxy by some shareholders who were unable to participate in the Meeting. Accordingly, the Chairman would be voting as their proxy in accordance with their voting instructions, where indicated.

She reminded the Meeting to ask questions that are relevant to the Agenda items of the Meeting. For smooth running of the proceedings of the Meeting, the question and answer session would be conducted, upon completion of the deliberations of all items to be transacted at the Meeting, prior to the poll voting session.

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
[Registration No. 201101019901 (948035-U)]  
(Incorporated in Malaysia)

(Minutes of the Tenth Annual General Meeting held on 25 November 2021 - cont'd)

In the interest of time, the Board may not be able to address all questions received. The questions received would be grouped and combined to avoid repetition, and may also be summarised for expediency. If there was time constraint, the responses would be sent to the respective shareholders and proxies via email at the earliest possible, after the AGM.

The Meeting was also informed that the Company had appointed SS E Solutions Sdn. Bhd. as the Poll Administrator for the Meeting. Commercial Quest Sdn. Bhd. would act as the Independent Scrutineers to verify the results of the poll. All votes were to be submitted via Securities Services e-Portal ("**SSeP**").

A step-by-step guide together with a pre-recorded short audio clip on the online voting module within the SSeP was played for the Shareholders and Proxies' information.

**PRESENTATION BY THE MANAGING DIRECTOR AND GROUP CHIEF EXECUTIVE OFFICE**

The Chairman invited Paul Lim Pay Chuan ("**Mr. Paul Lim**"), the Managing Director and Group Chief Executive Officer ("**MD & Group CEO**") to give shareholders a quick overview of the Group's financial highlights and operational review for the financial year ended 30 June 2021, project updates and outlook for the ensuing year.

**LETTER RECEIVED FROM MINORITY SHAREHOLDERS WATCH GROUP**

The Chairman informed the Meeting that the Company had received questions from the Minority Shareholders Watch Group ("**MSWG**") via its letter dated 15 November 2021, seeking clarification or information on several issues raised pertaining to PESTECH Group's strategy, financial and corporate governance matters.

The Chairman invited Mr. Paul Lim to present the responses to the questions raised by MSWG. The list of questions from MSWG was presented on the screen whilst Mr. Paul Lim read out the Company's replies, details as set out in **Appendix "A"** attached to these Minutes.

The Chairman thanked Mr. Paul Lim for his presentation and continued with the proceedings of the Meeting.

**1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND THE AUDITORS THEREON**

The Chairman informed that the first item on the Agenda was to receive the Audited Financial Statements for the Financial Year Ended ("**FYE**") 30 June 2021 together with the Reports of the Directors and the Auditors thereon.

The Chairman explained that the Audited Financial Statements for FYE 30 June 2021 was meant for discussion only, as it did not require shareholders' approval under the provision of Section 340(1)(a) of the Companies Act 2016. As such, the Audited Financial Statements would not be put forward for voting. The

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
[Registration No. 201101019901 (948035-U)]  
(Incorporated in Malaysia)

(Minutes of the Tenth Annual General Meeting held on 25 November 2021 - cont'd)

shareholders and proxies could pose any questions in relation to the Audited Financial Statements during the question and answer session.

The Chairman declared that the Audited Financial Statements for the FYE 30 June 2021 together with the Reports of the Directors and the Auditors thereon be received.

**2. ORDINARY RESOLUTION 1**  
**PAYMENT OF A FINAL SINGLE-TIER DIVIDEND OF RM0.005 PER ORDINARY SHARE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

The Chairman proceeded to the next item on the Agenda in respect of the proposed payment of a final single-tier dividend of RM0.005 per ordinary share for the financial year ended 30 June 2021.

The Meeting was informed that the proposal, if approved by the shareholders, would allow the Company to pay the final single-tier dividend on 7 January 2022 to depositors who are registered in the Record of Depositors at the close of business on 9 December 2021.

**3. ORDINARY RESOLUTION 2**  
**PAYMENT OF DIRECTORS' FEES FOR AN AMOUNT UP TO RM210,000/- AND DIRECTORS' BENEFITS UP TO RM120,000/- TO THE NON-EXECUTIVE DIRECTORS FOR THE PERIOD COMMENCING FROM 25 NOVEMBER 2021 UNTIL THE NEXT ANNUAL GENERAL MEETING IN YEAR 2022**

The Chairman advised the Meeting that the next item on the Agenda was to approve the payment of Directors' fees up to RM210,000/- and Directors' benefits up to RM120,000/- to the Non-Executive Directors for the period commencing from 25 November 2021 until the next Annual General Meeting ("**AGM**") in year 2022.

The Directors' benefits payable to the Non-Executive Directors comprised the meeting allowances, which would only be accorded to actual attendance of meetings by the Non-Executive Directors during the period from 25 November 2021 until the next AGM in year 2022.

**4. ORDINARY RESOLUTIONS 3, 4 AND 5**  
**RE-ELECTION OF THE FOLLOWING DIRECTORS WHO RETIRED IN ACCORDANCE WITH THE COMPANY'S CONSTITUTION:**

- 4.1 LIM AH HOCK (ARTICLE 118)**  
**4.2 NG CHEE HOONG (ARTICLE 117)**  
**4.3 HOO SIEW LEE (ARTICLE 117)**

The Chairman announced that the next three (3) items on the Agenda were in respect of the re-election of Directors who are retiring pursuant to the provisions of the Company's Constitution.

In view that the Chairman is the Director standing for re-election in Ordinary Resolution 3, the Chairman handed over the chairmanship of the Meeting to Mr.

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
[Registration No. 201101019901 (948035-U)]  
(Incorporated in Malaysia)

(Minutes of the Tenth Annual General Meeting held on 25 November 2021 - cont'd)

Ng Chee Hoong ("**Mr. Ng**") to conduct the business set out in Ordinary Resolution 3 in relation to his re-election as Director of the Company.

Mr. Ng took over the chairmanship of the Meeting pertaining to the re-election of Mr. Lim Ah Hock as Director of the Company.

Mr. Ng tabled the Ordinary Resolution 3 pertaining to the re-election of Mr. Lim Ah Hock is retiring pursuant to Article 118 of the Company's Constitution and being eligible, had offered himself for re-election.

Mr. Ng thereafter handed over the chairmanship of the Meeting back to the Board Chairman.

The Chairman thanked Mr. Ng for chairing this specific item on the Agenda.

The Chairman tabled the Ordinary Resolutions 4 and 5 pertaining to the re-election of Directors who are retiring pursuant to Article 117 of the Company's Constitution.

The Meeting was informed that pursuant to Article 117 of the Company's Constitution, Mr. Ng Chee Hoong and Ms. Hoo Siew Lee are retiring as Directors of the Company and being eligible, had offered themselves for re-election.

**5. ORDINARY RESOLUTION 6**  
**RE-APPOINTMENT OF MESSRS. GRANT THORNTON MALAYSIA PLT AS THE AUDITORS OF THE COMPANY FOR THE ENSUING YEAR AND TO AUTHORISE THE BOARD OF DIRECTORS TO FIX THEIR REMUNERATION**

The Chairman proceeded to Ordinary Resolution 6 in respect of the re-appointment of Messrs. Grant Thornton Malaysia PLT as Auditors of the Company for the ensuing year. The retiring Auditors, Messrs. Grant Thornton Malaysia PLT had indicated their willingness to continue in office.

The Meeting was informed that the Audit Committee and the Board had reviewed the performance Messrs. Grant Thornton Malaysia PLT as Auditors of the Company for the past financial year and were satisfied with their effectiveness and performance as External Auditors of the Company.

**SPECIAL BUSINESS**

**6. ORDINARY RESOLUTION 7**  
**AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016**

The Chairman advised that the next item on the Agenda was a Special Business to pass an Ordinary Resolution to authorise the Directors to issue an aggregate number of shares not exceeding ten per cent (10%) of the total number of issued shares of the Company pursuant to the Companies Act 2016.

The Chairman highlighted that this general mandate would provide flexibility to the Board of Directors to issue and allot additional shares of not more than ten per cent (10%) of the total number of issued shares of the Company at any time, without

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
[Registration No. 201101019901 (948035-U)]  
(Incorporated in Malaysia)

(Minutes of the Tenth Annual General Meeting held on 25 November 2021 - cont'd)

convening a general meeting, for any possible fund-raising activities, including but not limited to further placing of shares for purpose of funding future investment project(s), working capital and/or acquisitions. This authority shall, unless be revoked or varied by the Company in general meeting, expire at the next Annual General Meeting.

**7. ORDINARY RESOLUTION 8**  
**PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR**  
**RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR**  
**TRADING NATURE**

---

The Chairman informed the Meeting that the Ordinary Resolutions 8 and 9 and were in relation to the proposals of seeking shareholders' mandate to allow the Company and its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature with the related parties.

The Chairman highlighted that in view of him being an interested related party in the motions set out in Ordinary Resolutions 8 and 9, the Chairman handed over the chairmanship of the Meeting to Mr. Ng to chair these two (2) resolutions of the Agenda.

Mr. Ng took over the chairmanship of the Meeting.

Mr. Ng then tabled the Ordinary Resolution 8 in relation to the Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions ("RRPTs") of a Revenue or Trading Nature ("**Proposed Renewal of Existing Shareholders' Mandate**").

Mr. Ng advised the Meeting that the details of the Proposed Renewal of Existing Shareholders' Mandate were provided in the Circular to Shareholders dated 27 October 2021 ("**Circular**") accompanying the Annual Report.

As disclosed in the Circular, Mr. Lim Ah Hock, Mr. Stanley Lim and Mr. Paul Lim, being the interested Directors had abstained from all Board deliberations and voting in relation to the existing RRPTs as set out in Part A Section 1.3(B) of the Circular.

Accordingly, the interested Directors and Major Shareholders in the RRPTs would continue to abstain from all Board deliberations and voting pertaining to this Resolution in the Meeting. They had also undertaken to ensure that persons connected with them would abstain from voting in respect of their direct or indirect shareholdings pertaining to Ordinary Resolution 8 at the Meeting.

The Meeting was informed that Mr. Lim Ah Hock, being an Interested Director and Major Shareholder, would however vote in his capacity as proxy in accordance with instructions received from non-interested shareholders who had appointed Mr. Lim Ah Hock as their proxy while he presided as Chairman of the Meeting.

**8. ORDINARY RESOLUTION 9**  
**PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED**  
**PARTY TRANSACTION OF A REVENUE OR TRADING NATURE**

---

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
[Registration No. 201101019901 (948035-U)]  
(Incorporated in Malaysia)

(Minutes of the Tenth Annual General Meeting held on 25 November 2021 - cont'd)

Mr. Ng moved on to Ordinary Resolution 9 in respect of the Proposed New Shareholders' Mandate for RRPTs of a Revenue or Trading Nature ("**Proposed New Shareholders' Mandate**").

The details of the Proposed New Shareholders' Mandate together with the rationale and the recommendation of the Directors were provided in the Circular dated 27 October 2021.

The Meeting was informed that the interested Directors had abstained from all Board deliberations and voting in relation to the new RRPTs as set out in Part A Section 1.3(A) of the Circular.

Accordingly, the interested Directors and Major Shareholders in the RRPTs would continue to abstain from all Board deliberations and voting pertaining to this Resolution in the Meeting. They had also undertaken to ensure that persons connected with them would abstain from voting in respect of their direct or indirect shareholdings pertaining to Ordinary Resolution 9 at the Meeting.

Despite that Mr. Lim Ah Hock being an Interested Director and Major Shareholder in respect of the new RRPTs, he would however vote in his capacity as proxy in accordance with instructions received from non-interested shareholders who had appointed Mr. Lim Ah Hock as their proxy while he presided as Chairman of the Meeting.

Mr. Ng thereafter handed over the chairmanship of the Meeting back to the Board Chairman.

The Chairman thanked Mr. Ng for chairing the Ordinary Resolutions 8 and 9 of the Agenda.

**9. ORDINARY RESOLUTION 10**  
**PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY OF UP TO 10%**  
**OF THE TOTAL NUMBER OF ISSUED SHARE OF PESTECH INTERNATIONAL**  
**BERHAD**

---

The Chairman announced that the motion for consideration as set out in Ordinary Resolution 10, was to seek the shareholders' approval to renew the share buy-back authority granted by the shareholders at the Ninth Annual General Meeting of the Company held on 26 November 2020. The details and rationale of the proposed renewal of share buy-back were provided in the Statement to Shareholders dated 27 October 2021 circulated together with the Annual Report.

The proposed resolution, if passed, would renew the authority given to the Company to purchase its own shares up to 10% of the total number of issued shares of the Company at any time within the time period stipulated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This authority would, unless revoked or varied at a general meeting, expire at the conclusion of the next AGM of the Company.

**10. ORDINARY RESOLUTION 11**

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
[Registration No. 201101019901 (948035-U)]  
(Incorporated in Malaysia)

(Minutes of the Tenth Annual General Meeting held on 25 November 2021 - cont'd)

**PROPOSED RENEWAL OF THE AUTHORITY TO ALLOT AND ISSUE NEW  
ORDINARY SHARES IN PESTECH INTERNATIONAL BERHAD, FOR THE  
PURPOSE OF THE DIVIDEND REINVESTMENT PLAN OF THE COMPANY  
WHICH WILL PROVIDE THE SHAREHOLDERS OF PESTECH WITH THE  
OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND IN PESTECH  
SHARES**

The Chairman informed that Ordinary Resolution 11 was to seek the shareholders' approval to renew of authority to allot and issue new ordinary shares in PESTECH pursuant to the Dividend Reinvestment Plan ("**DRP**") in respect of dividends declared by the Company after this AGM and subsequently until the conclusion of the next AGM of the Company.

The proposed resolution, if passed, would allow the Company to allot and issue new PESTECH Shares pursuant to DRP until the conclusion of the next AGM of the Company. It would also allow the Directors to fix the issue price of such new PESTECH Shares at a discount of up to 10% of the five (5)-day volume weighted average market price of PECTECH Share immediately prior to the price-fixing date.

**11. ANY OTHER BUSINESS**

The Chairman sought confirmation from the Company Secretary, Ms. Lynda Pan whether the Company had received any notice for the transaction of other business at this Meeting.

The Company Secretary confirmed that the Company had not received any notice for the transaction of any other business at the Meeting.

**11. QUESTION AND ANSWER SESSION**

After tabling all resolutions, the Chairman announced that the Meeting was opened for questions and answer session.

The Meeting was earlier notified that due to time constraints, the Chairman of the Board may not be able to address all questions received. Questions received which were similar in nature would be collated to avoid repetition and may also be summarised for reasons of brevity.

The Chairman invited Mr. Paul Lim, the MD & Group CEO to address the questions received from the shareholders and proxies accordingly.

The list of questions raised by the shareholders together with the responses and clarifications from the Managing Director, set out in **Appendix B** attached hereto.

After all relevant questions were dealt with, the Chairman thanked the shareholders and proxies for their questions and announced the closure of the question and answer session.

**12. POLL VOTING**



**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
 [Registration No. 201101019901 (948035-U)]  
 (Incorporated in Malaysia)

(Minutes of the Tenth Annual General Meeting held on 25 November 2021 - cont'd)

The Chairman announced that the voting session would continue for another 10 minutes to allow the shareholders, corporate representatives and proxies to complete their voting via the RPV facility.

After 10 minutes, the Chairman announced the closing of the poll and the Meeting was adjourned for the Scrutineers to verify the poll results.

**13. DECLARATION OF POLL RESULTS**

The Meeting resumed at 11:37 a.m. for the declaration of the poll results which had been verified by the Independent Scrutineers, Commercial Quest Sdn. Bhd.

Based on the report from the Independent Scrutineers, the Company Secretary, Ms. Lynda Pan read out the poll results as follows:-

**13.1 PAYMENT OF A FINAL SINGLE-TIER DIVIDEND OF RM0.005 PER ORDINARY SHARE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
<b>Ordinary Resolution 1</b>	466,094,887	99.9971	13,640	0.0029

The Chairman declared that Ordinary Resolution 1 was **CARRIED** as follows:-

*"That the payment of a final single-tier dividend of RM0.005 per ordinary share for the financial year ended 30 June 2021, be and is hereby approved."*

**13.2 PAYMENT OF DIRECTORS' FEES FOR AN AMOUNT UP TO RM210,000/- AND DIRECTORS' BENEFITS UP TO RM120,000/- TO THE NON-EXECUTIVE DIRECTORS FOR THE PERIOD COMMENCING FROM 25 NOVEMBER 2021 UNTIL THE NEXT ANNUAL GENERAL MEETING IN YEAR 2022**

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
<b>Ordinary Resolution 2</b>	466,010,826	99.9805	91,101	0.0195

The Chairman declared that Ordinary Resolution 2 was **CARRIED** as follows:-

*"That the payment of Directors' fees for an amount up to RM210,000/- which is payable on a quarterly basis and Directors' benefits up to RM120,000/- to the Non-Executive Directors for the period commencing from 25 November 2021 until the next Annual General Meeting in year 2022, be and is hereby approved."*

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
 [Registration No. 201101019901 (948035-U)]  
 (Incorporated in Malaysia)

(Minutes of the Tenth Annual General Meeting held on 25 November 2021 - cont'd)

**13.3 RE-ELECTION OF MR. LIM AH HOCK WHO RETIRED IN ACCORDANCE WITH ARTICLE 118 OF THE COMPANY'S CONSTITUTION**

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
<b>Ordinary Resolution 3</b>	466,104,513	99.9991	4,014	0.0009

The Chairman declared that Ordinary Resolution 3 was **CARRIED** as follows:-

*"That Mr. Lim Ah Hock who retired pursuant to Article 118 of the Company's Constitution, be re-elected to serve on the Board of Directors of the Company."*

**13.4 RE-ELECTION OF MR. NG CHEE HOONG WHO RETIRED IN ACCORDANCE WITH ARTICLE 117 OF THE COMPANY'S CONSTITUTION**

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
<b>Ordinary Resolution 4</b>	466,099,213	99.9980	9,314	0.0020

The Chairman declared that Ordinary Resolution 4 was **CARRIED** as follows:-

*"That Mr. Ng Chee Hoong who retired pursuant to Article 117 of the Company's Constitution, be re-elected to serve on the Board of Directors of the Company."*

**13.5 RE-ELECTION OF MS. HOO SIEW LEE WHO RETIRED IN ACCORDANCE WITH ARTICLE 117 OF THE COMPANY'S CONSTITUTION**

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
<b>Ordinary Resolution 5</b>	466,099,213	99.9980	9,314	0.0020

The Chairman declared that Ordinary Resolution 5 was **CARRIED** as follows:-

*"That Ms. Hoo Siew Lee who retired pursuant to Article 117 of the Company's Constitution, be re-elected to serve on the Board of Directors of the Company."*

**13.6 RE-APPOINTMENT OF MESSRS. GRANT THORNTON MALAYSIA PLT AS THE COMPANY'S AUDITORS FOR THE ENSUING YEAR AND AUTHORISATION FOR THE BOARD OF DIRECTORS TO FIX THEIR REMUNERATION**

Resolution	Voted For	Voted Against
------------	-----------	---------------

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
 [Registration No. 201101019901 (948035-U)]  
 (Incorporated in Malaysia)

(Minutes of the Tenth Annual General Meeting held on 25 November 2021 - cont'd)

	No. of shares	%	No. of shares	%
<b>Ordinary Resolution 6</b>	466,066,518	99.9910	42,009	0.0090

The Chairman declared that Ordinary Resolution 6 was **CARRIED** as follows:-

*"That the retiring Auditors, Messrs. Grant Thornton Malaysia PLT be re-appointed as Auditors of the Company for the ensuing year and that authority be and is hereby given to the Board of Directors to fix their remuneration."*

**13.7 AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016**

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
<b>Ordinary Resolution 7</b>	447,658,685	96.0417	18,449,842	3.9583

The Chairman declared that Ordinary Resolution 7 was **CARRIED** as follows:-

***"THAT** subject always to the Companies Act 2016 ("**the Act**"), the Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad ("**Bursa Securities**") and any other relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to the Act, to issue and allot shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) 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 Bursa Securities.*

***AND FURTHER THAT** such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."*

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

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
 [Registration No. 201101019901 (948035-U)]  
 (Incorporated in Malaysia)

(Minutes of the Tenth Annual General Meeting held on 25 November 2021 - cont'd)

<b>Ordinary Resolution 8</b>	65,530,117	99.9471	34,710	0.0529
------------------------------	------------	---------	--------	--------

The Chairman declared that Ordinary Resolution 8 was **CARRIED** as follows:-

*"**THAT** subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to PESTECH International Berhad Group ("**the Group**") to enter into and to give effect to specified recurrent related party transactions of a revenue or trading nature with the Related Parties as set out in Part A Section 1.3(B) of the Circular to Shareholders dated 27 October 2021, which are necessary for its day-to-day operations, to be entered into by the Group on the basis that these transactions are entered into on terms which are not more favourable to the Related Party involved than generally available to the public and are not detrimental to the minority shareholders of the Company.*

***THAT** the Proposed Renewal of Existing Shareholders' Mandate is subject to annual renewal. In this respect, any authority conferred by the Proposed Renewal of Existing Shareholders' Mandate, shall only continue to be in force until:-*

- (a) *the conclusion of the next Annual General Meeting ("**AGM**") of the Company following the general meeting at which the Proposed Renewal of Existing Shareholders' Mandate was passed, at which time it will lapse, unless by resolution passed at the general meeting, the authority is renewed; or*
- (b) *the expiration of the period within which the AGM after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("**the Act**") (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or*
- (c) *revoked or varied by resolution passed by the shareholders of the Company in general meeting,*

*whichever is the earlier;*

***AND THAT** the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the Proposed Renewal of Existing Shareholders' Mandate."*

**13.9 PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTION OF A REVENUE OR TRADING NATURE ("**PROPOSED NEW SHAREHOLDERS' MANDATE**")**

<b>Resolution</b>	<b>Voted For</b>		<b>Voted Against</b>	
	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>
<b>Ordinary Resolution 9</b>	65,530,085	99.9470	34,742	0.0530

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
 [Registration No. 201101019901 (948035-U)]  
 (Incorporated in Malaysia)

(Minutes of the Tenth Annual General Meeting held on 25 November 2021 - cont'd)

The Chairman declared that Ordinary Resolution 9 was **CARRIED** as follows:-

**"THAT** subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to PESTECH International Berhad Group ("**the Group**") to enter into and to give effect to specified recurrent related party transaction of a revenue or trading nature with the Related Party as set out in Part A Section 1.3(A) of the Circular to Shareholders dated 27 October 2021, which are necessary for its day-to-day operations, to be entered into by the Group on the basis that these transactions are entered into on terms which are not more favourable to the Related Party involved than generally available to the public and are not detrimental to the minority shareholders of the Company.

**THAT** the Proposed New Shareholders' Mandate is subject to annual renewal. In this respect, any authority conferred by the Proposed New Shareholders' Mandate, shall only continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting ("**AGM**") of the Company following the general meeting at which the Proposed New Shareholders' Mandate was passed, at which time it will lapse, unless by resolution passed at the general meeting, the authority is renewed; or
- (b) the expiration of the period within which the AGM after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("**the Act**") (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders of the Company in general meeting,

whichever is the earlier;

**AND THAT** the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the Proposed New Shareholders' Mandate."

**13.10 PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARE OF PESTECH INTERNATIONAL BERHAD ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY")**

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
<b>Ordinary Resolution 10</b>	466,098,217	99.9978	10,310	0.0022

The Chairman declared that Ordinary Resolution 10 was **CARRIED** as follows:-

**"THAT** subject always to the Companies Act 2016 ("**the Act**"), the Constitution of the Company, the Main Market Listing Requirements ("**Main LR**") of Bursa

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
[Registration No. 201101019901 (948035-U)]  
(Incorporated in Malaysia)

(Minutes of the Tenth Annual General Meeting held on 25 November 2021 - cont'd)

*Malaysia Securities Berhad ("Bursa Securities"), and all other applicable laws, rules and regulations and guidelines for the time being in force and the approvals of all relevant governmental and/or regulatory authority, approval be and is hereby given to the Company, to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities as the Directors may deem and expedient in the interest of the Company, provided that:*

- i) the aggregate number of ordinary shares to be purchased and/or held by the Company pursuant to this resolution shall not exceed ten percent (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase; and*
- ii) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements (where applicable) available at the time of the purchase.*

**THAT** upon completion of the purchase by the Company of its own shares, the Directors of the Company be authorised to deal with the shares purchased in their absolute discretion in the following manner:

- i) cancel all the shares so purchased; and/or*
- ii) retain the shares so purchased in treasury for distribution as dividend to the shareholders and/or resell on the market of Bursa Securities; and/or*
- iii) retain part thereof as treasury shares and cancel the remainder; or*

*in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authority for the time being in force.*

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

- i) the conclusion of the next Annual General Meeting ("**AGM**") of the Company following this AGM at which such resolution was passed, at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or*
- ii) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or*
- iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting;*

*whichever occurs first;*

**PESTECH INTERNATIONAL BERHAD**  
**(“PESTECH” or the Company”)**  
 [Registration No. 201101019901 (948035-U)]  
 (Incorporated in Malaysia)

(Minutes of the Tenth Annual General Meeting held on 25 November 2021 - cont'd)

**AND THAT** the Directors of the Company be authorised to do all acts, deeds and things as they may consider expedient or necessary in the best interest of the Company to give full effect to the Proposed Renewal of Authority for Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all such steps, and do all such acts and things as the Board may deem fit and expedient in the best interest of the Company.”

**13.11 PROPOSED RENEWAL OF THE AUTHORITY TO ALLOT AND ISSUE NEW ORDINARY SHARES IN PESTECH INTERNATIONAL BERHAD, FOR THE PURPOSE OF THE DIVIDEND REINVESTMENT PLAN (“DRP”) OF THE COMPANY WHICH WILL PROVIDE THE SHAREHOLDERS OF PESTECH WITH THE OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND IN PESTECH SHARES (“PROPOSED RENEWAL OF DRP AUTHORITY”)**

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
<b>Ordinary Resolution 11</b>	466,064,780	99.9906	43,747	0.0094

The Chairman declared that Ordinary Resolution 11 was **CARRIED** as follows:-

**“THAT** pursuant to the DRP as approved by the Shareholders at the Extraordinary General Meeting of the Company held on 9 October 2013 and subject to the approval of the relevant regulatory authorities (if any), approval be and is hereby given to the Company to allot and issue such number of new PESTECH Shares from time to time as may be required to be allotted and issued pursuant to the DRP until the conclusion of the next Annual General Meeting upon such terms and conditions and to such persons as the Directors, may in their absolute discretion, deem fit and in the best interest of the Company, **PROVIDED THAT** the issue price of the said new PESTECH Shares shall be fixed by the Directors at not more than ten percent (10%) discount to the five (5)-day volume weighted average market price (“VWAP”) of PESTECH Shares immediately prior to the price-fixing date, of which the VWAP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price.

**AND THAT** the Directors of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements and documents as may be necessary or expedient in order to give full effect to the DRP with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments or at the discretion of the Directors in the best interest of the Company.”

**TERMINATION**

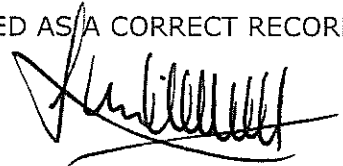
There being no other business to be transacted, the Chairman thanked Management and everyone involved in making this virtual AGM a successful event.

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
[Registration No. 201101019901 (948035-U)]  
(Incorporated in Malaysia)

(Minutes of the Tenth Annual General Meeting held on 25 November 2021 - cont'd)

The Meeting ended at 11:39 a.m. with a vote of thanks to the Chair.

SIGNED AS/A CORRECT RECORD



---

LIM AH HOCK  
CHAIRMAN

Dated: 25 November 2021



**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
 [Registration No. 201101019901 (948035-U)]  
 (Incorporated in Malaysia)

**APPENDIX A – RESPONSES TO QUESTIONS RECEIVED FROM MINORITY SHAREHOLDERS WATCH GROUP ("MSWG") DURING THE TENTH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON THURSDAY, 25 NOVEMBER 2021**

**OPERATIONAL & FINANCIAL MATTERS**

<b>No.</b>	<b>Question</b>	<b>Answer</b>
1	<p>The Group's outstanding order book stood at RM1.76 billion as at 30 June 2021. Pestech will continuously look out for new opportunities in the sustainable power infrastructure area to steer the Group towards the reduce, reuse and recycle business and social responsibility philosophy (page 34 of AR 2021).</p> <p><b>Question 1(a)</b>            What is the Group's current outstanding order book (as of 31 October 2021) for ongoing projects? How long will this order book last?</p> <p><b>Question 1(b)</b>            What is the current tender book and targeted order book replenishment in the next two financial years?</p> <p><b>Question 1(c)</b>            To-date, how many potential contracts has the Group been exploring in the ASEAN region for the renewable energy sector? Please brief on the probability of being awarded the new contracts in 2022.</p>	<p>The Group's current outstanding order book (as of 31 October 2021) was at RM1.55 billion. This translates into a book to bill ratio of about 7.5 times, sustaining through about 7 - 8 quarters of turnover.</p> <p>The Group's current tender book as at November 2021 stood at RM2.076 billion. We are looking forward towards a new order replenishment of about 30% of the tender book on an annual basis.</p> <p>The Association of Southeast Asian Nations (ASEAN) has set the aspirational target of securing 23% of its primary energy from modern, sustainable renewable sources by 2025. Investment in renewable energy capacity to reach 23% share is estimated at USD27 billion/ year. The power sector will account for 75% of the average annual investment need of USD27 billion equivalent to USD20.25 billion per year.*</p> <p>(*Source: Renewable Energy Outlook for ASEAN, A Remap Analysis, International Renewable Energy Agency (IRENA) &amp; ASEAN Centre for Energy (ACE), 2016)</p> <p>PESTECH is always on a look out for prospects within this vast opportunity, not merely participating in renewable energy</p>

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
[Registration No. 201101019901 (948035-U)]  
(Incorporated in Malaysia)

**(Appendix A of the Minutes of the Tenth Annual General Meeting of the Company held on 25 November 2021 – Cont'd)**

<b>No.</b>	<b>Question</b>	<b>Answer</b>
	<p><b>Question 1(d)</b>  In bidding for new projects locally or in overseas markets, are contracts written to protect the Group from Covid-19 related delays that are out of the Group's control?</p>	<p>project for the sake of trend setting, but selecting those that we can add value, and contribute towards bringing better power quality to the grid system, whilst generating positive returns to our shareholders.</p> <p>These prospects, when realized, will be duly announced by the Group through proper channel for public dissemination, in accordance to the Listing Requirements.</p> <p>Most of new contracts, though not all, have the pandemic clauses being included under the force majeure section. Our clients are mainly national utilities who deal with international contracts. We usually maintain very close communication with the project owner, and provide consistent monthly report on progress of project. From our experience going through the pandemic, should there be inevitable delays due to government decreed lock downs, or similar interruptions, extension of time and associated costs related to the pandemic can be put forth for discussion and due consideration.</p>
2	<p>On 16 October 2020, the Company established RM1.0 billion Perpetual Islamic Notes Issuance Programme. In FY2021, the Company issued one tranche two series of perpetual sukuk with nominal value of RM37.1 million and RM11.45 million, both series bear initial periodic distribution rate of 6% per annum over a tenure of 3 years. The perpetual sukuk is accounted as an equity (Note 17, page 142 of AR 2021).</p> <p><b>Question 2(a)</b>  Please elaborate further on the pros and cons of issuing perpetual sukuk?</p>	<p>Perpetual sukuk ("<b>PERPS</b>") allows the Group to raise funding based on the identifiable cashflow stream from its completed long term payment projects. It provides certain level of relieve on the gearing ratio of the Group due to its perpetual nature of funding. However,</p>

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
 [Registration No. 201101019901 (948035-U)]  
 (Incorporated in Malaysia)

**(Appendix A of the Minutes of the Tenth Annual General Meeting of the Company held on 25 November 2021 – Cont'd)**

<b>No.</b>	<b>Question</b>	<b>Answer</b>																		
	<p><b>Question 2(b)</b> When the Company refers to its lower gearing ratio of 1.64x in FY2021 (FY2020: 1.98x) (page 4 of AR 2021), did the Company consider the RM48.55 million outstanding perpetual sukuk fully as equity?</p> <p><b>Question 2(c)</b> Has the board set a limit on the amount of perpetual sukuk that may be issued and the maximum gearing for the Group?</p>	<p>PERPS also attract fixed profit rate and could be in a disadvantage should the overall market funding rate is on a declining trend.</p> <p>Yes, the PERPS were included as equity.</p> <p>The gearing ratio of the Group shall be maintained below 2 times. Depending on the Group's funding requirements, progress of business expansion, and capital market trend, the Board will deliberate and consider diligently for any additional PERPS issuance.</p>																		
3	<p>Dividend payout by the Company in the last 5 years is shown below:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">FY</th> <th style="text-align: center;">Total dividend payout (RM'000)</th> <th style="text-align: center;">Dividend per share (sen)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;"><b>2017</b></td> <td style="text-align: center;">22,470</td> <td style="text-align: center;">3.0</td> </tr> <tr> <td style="text-align: center;"><b>2018</b></td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td style="text-align: center;"><b>2019</b></td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td style="text-align: center;"><b>2020</b></td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td style="text-align: center;"><b>2021</b></td> <td style="text-align: center;">7,612</td> <td style="text-align: center;">1.0</td> </tr> </tbody> </table> <p><b>Question 3(a)</b> The Company has not been paying dividend for FY2018 to FY2020 but has resumed paying dividend in FY2021. Is the dividend of RM7.6 million (or 1.0 sen per share) sustainable given the Group's profitability and growth trajectory?</p>	FY	Total dividend payout (RM'000)	Dividend per share (sen)	<b>2017</b>	22,470	3.0	<b>2018</b>	-	-	<b>2019</b>	-	-	<b>2020</b>	-	-	<b>2021</b>	7,612	1.0	<p>As the Group began to bring certain of its long-term payment projects to commercial operation, we started to receive positive cashflow payment from these projects consistently. As such, we expect the Group to be able to consider certain dividend payout going forward, barring any new prospective projects or investments that may require new capital in order to generate further growth and long-term development of the Group.</p>
FY	Total dividend payout (RM'000)	Dividend per share (sen)																		
<b>2017</b>	22,470	3.0																		
<b>2018</b>	-	-																		
<b>2019</b>	-	-																		
<b>2020</b>	-	-																		
<b>2021</b>	7,612	1.0																		

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
[Registration No. 201101019901 (948035-U)]  
(Incorporated in Malaysia)

**(Appendix A of the Minutes of the Tenth Annual General Meeting of the Company held on 25 November 2021 – Cont'd)**

<b>No.</b>	<b>Question</b>	<b>Answer</b>
	<p><b>Question 3(b)</b> Does the Company have a dividend policy and if not, is there any guidance on minimum or average payout ratio?</p>	<p>We do not set a dividend policy but aim to drive the growth of the Group for sustainable development whilst providing equitable dividend payout as and when we can based on the cashflow requirements and position of the Company.</p>
4	<p><b>Item 4</b> The Group's 20mw large-scale solar farm project in Cambodia with a 20-year concession arrangement is targeted to fully complete by November 2021. Its subsidiary, Green Sustainable Ventures (Cambodia) Co. Ltd. ("GSV") has an off-take Power Purchase Agreement with Electricite du Cambodge under the built, own and operate (BOT) model (Note 5, page 130 of AR 2021).</p> <p><b>Question 4(a)</b> When is the solar farm expected to achieve its scheduled commercial operation date (COD)?</p> <p><b>Question 4(b)</b> How much stable recurring income i.e. profits per annum is the solar farm expected to contribute over its 20-year concession period from COD?</p> <p><b>Question 4(c)</b> Are there any restrictions for GSV to repatriate dividend income or profits back to Malaysia?</p>	<p>The COD of the solar farm is expected to be in January 2022.</p> <p>The cashflow to be generated by the solar farm depends on the photovoltaic performance of the plant. It is estimated that yearly generation could give rise to about USD2.5 million per year on an average.</p> <p>There are no restrictions for repatriation of dividend income from Cambodia to Malaysia subject to payment of statutory taxes as required by the laws.</p>
5	<p>Employee benefit expenses – other benefits have increased to RM7.88 million in FY2021 (FY2020: RM1.45 million) (Note 25, page 150 of AR 2021).</p> <p><b>Question 5</b> What is the reason for the significant increase in other benefits expenses?</p>	<p>The increase of Other Benefits was mainly due to reclassification of special incentives and hardship allowances tied with various</p>

**PESTECH INTERNATIONAL BERHAD**

**("PESTECH" or the Company")**

[Registration No. 201101019901 (948035-U)]

(Incorporated in Malaysia)

**(Appendix A of the Minutes of the Tenth Annual General Meeting of the Company held on 25 November 2021 – Cont'd)**

<b>No.</b>	<b>Question</b>	<b>Answer</b>
		projects execution under the pandemic, which had achieved certain allocated targets. The overall Employee Benefits Expenses were relatively reduced from RM82.604 million in FY 2020 to RM75.333 million in FY 2021, and subject to change yearly.

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
 [Registration No. 201101019901 (948035-U)]  
 (Incorporated in Malaysia)

**APPENDIX B – RESPONSES AND CLARIFICATIONS TO QUESTIONS RECEIVED DURING THE TENTH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON THURSDAY, 25 NOVEMBER 2021**

No.	Questions
1	<p>Referring to Annual Report Page 139, the non-current contract assets from customers on construction contracts stood at approximately RM500 million as at 30 June 2021. What is the reason that the progress billing period of these contract assets are more than one (1) year? Is there any risk of not being able to issue progress billing to customers?</p> <p><b><u>Response</u></b></p> <p>The construction contracts of PESTECH are concession in nature. PESTECH has specific build-transfer type of contract, whereby the billing would only be provided through specific terms based on fixed monthly invoices. The revenue and cost recognition for construction contracts and concession arrangement are recognised in accordance to the applicable accounting standards.</p> <p>PESTECH is required to recognise the construction income according to the stage of completion method. The progress billing is recognised up to the portion of a project that has been completed, which is based on the level of completion of the development phase of the project as certified by professional engineers or consultants.</p>
2	<p>I would like to request a printed hard copy of the Company's Annual Report. Thank you.</p>
3	<p>Please send a copy of the printed report to my registered address. Thanks.</p> <p><b><u>Response</u></b></p> <p>In promoting sustainable practices, we are pleased to inform that a full copy of our Annual Report can be viewed or downloaded from our Company's website. If you do require a printed copy of the Annual Report, you can download the Annual Report Requisition Form from PESTECH's website. The printed copy Annual Report will be posted to you within 4 market days from the date of receipt of your written request.</p>
4.	<p>(a) PESTECH Group Gearing Ratio has increased from 1.09X in FY2017 to 1.64X in FY2021 (Page 4 of the Annual Report). It was stated on page 31 of the Annual Report by EC/Managing Director that "Our debt funding has always been structured such that it is specific project linked with identified source of repayment throughout the tenure of the loan."</p> <p>(i) Can the Board/Management provide a specific example on how loans repayments are linked to revenue generated from specific projects?</p>

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
 [Registration No. 201101019901 (948035-U)]  
 (Incorporated in Malaysia)

**(Appendix B of the Minutes of the Tenth Annual General Meeting of the Company held on 25 November 2021 – Cont'd)**

	<p>(ii) Is there any longer term Gearing Ratio target?</p> <p>(b) The Build-Operate-Transfer ("<b>BOT</b>") concession undertaken by Diamond Power Ltd. ("<b>DPL</b>") has a concession of the period of 25 years (Page 138 of Annual Report).</p> <p>(i) When is the expiry date of the concession?</p> <p>(ii) It is stated that DPL will receive a certain sum from Electricite du Cambodge ("<b>EDC</b>") throughout the concession. What was the amount received in the financial year ending 30 June 2021 ("<b>FY2021</b>")?</p> <p>(iii) How is the basis for the payment to DPL? Is there a fixed amount payable?</p> <p>(c) The Auditors' Report stated that one of the Key Audit Matters is total trade receivables and contract assets represented 78% of the total assets of the Group. The Trade Receivables has normal credit terms ranging from 30 – 60 days (Page 139 of AR). In FY2021, RM16.968 million and RM14.744 million of trade receivables were past due for 91 – 10 days and more than 120 days respectively.</p> <p>Why are the impairment of these past-due trade receivables were not provided for in the accounts? Please provide the status of the collection to-date.</p> <p>(d) The MD &amp; Group CEO in his presentation mentioned about three (3) projects in which most of PESTECH's borrowing are "ring-fenced" to ensure timely repayment. Which are these three (3) projects that he referred to? How much borrowings that is due to these three (3) projects?</p>
	<p><b><u>Response</u></b></p> <p>(a)(i) PESTECH's loan repayment is ring-fenced through the collections from customers whom are utility companies. Currently, all build-operate-transfer, concession holding and build-transfer projects are undertaken by the Company with direct payment agreements in Cambodia.</p> <p>For example, the Company is executing a project with a concession for a period of 25 years and the repayment of the bank borrowings procured to finance the project is around six (6) or seven (7) years. Once the repayment has been completed, all the receivables from the direct payment agreement will be channelled to the Company.</p> <p>(a)(ii) The Company has set the gearing ratio target threshold at not more than 2x. Constant efforts have been taken in order to prevent the Company from exceeding the threshold.</p>

**PESTECH INTERNATIONAL BERHAD**  
**("PESTECH" or the Company")**  
 [Registration No. 201101019901 (948035-U)]  
 (Incorporated in Malaysia)

**(Appendix B of the Minutes of the Tenth Annual General Meeting of the Company held on 25 November 2021 – Cont'd)**

	<p>(b)(i) The expiry of the concession is in the year 2043.</p> <p>(b)(ii) The collections for the financial year 2021 amounting to USD13.2 million, and the collection for the year 2022 until the year 2043 are estimated to be around USD18.2 million per year. The collections will be apportioned to settle the bank borrowings for another 6 years.</p> <p>(b)(iii) As mentioned, there is a direct agreement for the repayment which is ring-fenced against the collections from the utility companies.</p> <p>(c) The Company had collected the past-due receivables of RM14.744 million and is still pursuing the RM16.968 million collection.</p> <p>(d) The projects mentioned by MD &amp; Group CEO were the substations and transmission lines projects in Cambodia. The number of borrowings remained due and payable amounting to approximately RM415.5 million.</p> <p>As explained earlier, for the build transfer or build-operate-transfer projects undertaken by the Company, these projects are ring-fenced against collections from the customers whom are utility companies.</p>
5.	<p>MD &amp; Group CEO just mentioned and focused about "Waste-to-Energy". What is the project timeline and what is the expected financial impact to the group in term of debt and income?</p>
	<p><b><u>Response</u></b></p> <p>Waste-to-Energy will be the next approach to be taken by PESTECH towards the efforts of creating recycled energy. PESTECH is exploring to work on recycling the energy contents from wastes to generate electricity and prevent excessive dumping to overused landfills. It will bring a positive sustainable development effect to society.</p> <p>The impact of this project on the Company's debt and income will be the next phase to be discussed. The Company will be cautious in the execution of the project.</p>