

PERAK CORPORATION BERHAD (210915-U)

(Incorporated in Malaysia)

**MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY
HELD AT THE AMANJAYA CONVENTION CENTRE, CASUARINA @ MERU
HOTEL, NO. 1-C, JALAN MERU CASUARINA, BANDAR MERU RAYA, 30020 IPOH,
PERAK DARUL RIDZUAN ON FRIDAY, 27 MARCH 2015 AT 3.30 P.M.**

PRESENT

DIRECTORS : YB Dato' Nasarudin bin Hashim (Chairman)
Tuan Haji Ab Rahman bin Mohammed
Dato' Wan Hashimi Albakri bin W.A.A. Jaffri
Dato' Abd Karim bin Ahmad Tarmizi
Dato' Dr Vasan a/l Sinnadurai
Datuk Dr Wan Norashikin bt Wan Noordin
Dato' Aminuddin bin Md Desa

SHAREHOLDERS

AND PROXIES : As per Attendance List

IN ATTENDANCE

SECRETARY: Mr Cheai Weng Hoong

1.0 CHAIRMAN

The Chairman, YB Dato' Nasarudin bin Hashim, welcomed all present and called the Meeting to order at 3.30 p.m.

2.0 QUORUM

The Secretary confirmed the presence of the requisite quorum pursuant to Article 61 of the Company's Articles of Association and the Chairman declared the Meeting duly convened.

3.0 PROXIES

The Secretary then reported that proxy forms have been received from twenty one (21) shareholders representing 53,850,827 shares within the prescribed period of 48 hours before the time for convening this Meeting.

4.0 NOTICE OF MEETING

The Notice of Meeting, with the permission of the Meeting, was taken as read.

5.0 BUSINESS AT HAND

5.1 The Chairman proceeded to the business of the Meeting and informed the floor that the Meeting was convened to seek the shareholders' approval for the proposed disposal by Taipan Merit Sdn Bhd ("**Taipan Merit**"), a wholly-owned subsidiary of the Company, of its entire equity interest in Integrax Berhad ("**Integrax**") comprising 47,341,643 ordinary shares of RM1.00 each in Integrax ("**Integrax Share(s)**") representing approximately 15.74% equity interest therein to Tenaga Nasional Berhad ("**TNB**") pursuant to the conditional take-over offer by TNB ("**Proposed Take-over**") to acquire all the remaining Integrax Shares not already held by TNB for a revised cash offer price of RM3.25 per Integrax Share ("**Proposed Disposal**") as detailed in the Circular to Shareholders.

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- 5.2 Mr Chan Kok Keong sought clarification from the Chairman as to whether he was deemed interested in the Proposed Disposal by virtue of him being on the Board of Perbadanan Kemajuan Negeri Perak (“PKNP”), and if so, he requested that the Meeting be chaired by another member of the Board.
- 5.3 The Chairman clarified that he has never been appointed to the Board of PKNP and stated that he has no interest in the Proposed Disposal. Accordingly, he continued to chair the Meeting.

6.0 PRESENTATION BY THE GROUP CEO

- 6.1 The Chairman invited Dato’ Aminuddin bin Md Desa, the Group Chief Executive Officer, to elaborate more on the Proposed Disposal and to clarify some of the issues and questions raised by a few shareholders from the letters that the Company had received over the past two weeks.
- 6.2 Dato’ Aminuddin bin Md Desa briefed the Meeting on the background to the Proposed Disposal. He gave a brief power point presentation on the shareholdings structure of Integrax and Lumut Maritime Terminal Sdn Bhd (“LMTSB”) pre-Proposed Take-over and post-Proposed Take-over [if the Company accepts TNB’s revised offer], highlighting the five (5) largest shareholders of Integrax and the relationship between the Company, Integrax, LMTSB and Lekir Bulk Terminal Sdn Bhd.
- 6.3 He explained on the rationale for the recommendation of the Board on the Proposed Disposal. He assured that the Company would continue to have control over LMTSB which does not compromise its control over Lumut Port and its operations. He added that if the shareholders approve the Proposed Disposal, it would realise a total return of approximately RM88.08 million which translates into an internal rate of return of approximately 26.41%. The Proposed Disposal would enable the Group to unlock the value of its investment and utilise the proceeds to finance planned development projects by the Group especially in hospitality and tourism as well as property development.

7.0 COMMENTS/ENQUIRIES FROM SHAREHOLDERS/PROXIES

- 7.1 Dato’ Aminuddin bin Md Desa went on to address the various issues namely, governance, competing offer, disclosure in Circular and valuation, raised by a few shareholders prior to the Meeting.
- 7.2 The pertinent issues addressed included the Group CEO’s interest in the Proposed Disposal by virtue of him being the common directors in the Company and Integrax, the reason alternative offer for a better price was not sought for the disposal of Integrax Shares, the tabling of the proposal from Amin bin Halim Rasip to purchase 5% of the equity interest in Integrax from Taipan Merit at the offer price of RM3.50 to the shareholders, request by Amin bin Halim Rasip to modify the Ordinary Resolution of the Meeting, issues in respect of the provision of financial assistance to Animation Theme Park Sdn Bhd (“ATP”), the interest of PKNP in the Proposed Disposal and whether appointment of Affin Hwang Investment Bank Berhad (“Affin Hwang”) as Principal Adviser to the Company in relation to the Proposed Disposal was in conflict of interest as Affin Hwang is one of the financial institutions providing loan to ATP.

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7.3 In summary, Dato' Aminuddin bin Md Desa commented as follows:

- (i) as the Group CEO, he confirmed he has no interest in the Proposed Disposal;
- (ii) the Board has never stop any party from making an alternative credible offer. However, there is no other offer that is more superior to the offer from TNB. The basis for a 'superior' offer was also explained to the floor;
- (iii) the reasons the Board rejected the offer from Amin bin Halim Rasip had been documented and announced to the public and there is no requirement to table the offer pursuant to the Listing Requirements;
- (iv) there is no provisions in the Articles of Association of the Company that permit the modification of the Ordinary Resolution that is being tabled with due notice;
- (v) the provision of financial assistance to ATP is not relevant to the Proposed Disposal in the context of the subject matter of the Meeting;
- (vi) PKNP and its board representatives in the Company are not interested in the Proposed Disposal based on the Listing Requirements;
- (vii) The appointment of Affin Hwang as Principal Adviser to the Company was not legally required but as a good corporate governance. Affin Hwang had confirmed that they have no conflict of interest in relation to the Proposed Disposal.

7.4 Dato' Aminuddin bin Md Desa then invited Encik Abdul Hisham Md Hashim from Affin Hwang to elaborate on the valuation method to derive the offer price of RM3.25. Encik Abdul Hisham Md Hashim highlighted that the Independent Adviser of Integrax, M&A Securities Sdn Bhd, had valued Integrax using the Revalued Net Asset Value while Affin Hwang had evaluated the intrinsic value of Integrax using Sum of Parts valuation and went on to brief the Meeting on the valuation method.

7.5 Thereafter, the Chairman invited the members present to raise questions on the Proposed Disposal.

7.6 A few shareholders and proxies, namely Mr Nicholas, Mr Chan Kok Keong, Mr Lim Pang Kiam, Encik Amin bin Halim Rasip, Mr James Huntzen Ong, Mr Yau Wai Leong, Mr Foo Lim Get, Mr Cheang Lek Choy, Mr Ooi Chin Hock and Mr Quah Ban Aik sought clarifications pertaining to the following main relevant areas:

- (i) reason the valuation as elaborated by Affin Hwang at the Meeting was not disclosed in the Circular to Shareholders;
- (ii) whether Affin Hwang has obtained the consent of the Securities Commission prior to the issuance of the independent advice circular pursuant to Section 15(7) of the Malaysian Code on Take-Overs and Mergers 2010;
- (iii) the reason the Board do not seek for competing offers to acquire the entire equity interest in Integrax held by Taipan Merit;
- (iv) any payment of dividend from the proceeds of the Proposed Disposal;
- (v) whether the proceeds from the Proposed Disposal will be used to fund the shortfall of the development cost of the Movie Animation Park Studio;
- (vi) the remaining main assets of the Group following the Proposed Disposal; and
- (vii) whether consent from the Ministry of Finance was required for the Proposed Disposal as the Company is a subsidiary of PKNP.

7.7 The Chairman, assisted by Dato' Aminuddin bin Md Desa, Encik Abdul Hisham Md Hashim and the representative from Messrs Zul Rafique & Partners, responded and answered the queries as follows:

- (i) the disclosure made in the Circular was in compliance with the Listing Requirements with the consent of Bursa Securities. The valuation prepared by Affin Hwang also relied on other advisor and it would be costly and timeline wise difficult for the evaluation to be disclosed in the Circular;

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- (ii) the consent of the Securities Commission was not required as the Malaysian Code on Take-Overs and Mergers 2010 is not relevant to the Proposed Disposal in the context of the subject matter of the Meeting;
 - (iii) the Board has never stop any party from making an alternative credible offer. However, there is no other offer that is more superior to the offer from TNB;
 - (iv) the management will consider putting forward to the Board for consideration the payment of dividend after the offer from TNB becomes unconditional;
 - (v) the proceeds from the Proposed Disposal will not be used to fund the shortfall (if any) of the development cost of the Movie Animation Park Studio;
 - (vi) the remaining main assets of the Company include LMT, Meru Raya Township and othe property development and the hospitality and tourism business activities; and
 - (vii) the consent from the Ministry of Finance was not required for the Proposed Disposal.
- 7.8 After a lengthy discussions and clarifications on the Proposed Disposal, En Jamal bin Mohd Aris proposed and Encik Ahmad Al-Hadi bin Abdul Khalid seconded the motion.
- 7.9 The Chairman called for a poll to be taken as Chairman of the Meeting to vote on the Ordinary Resolution in relation to the Proposed Disposal pursuant to Article 65 of the Articles of Association.

8.0 POLLING PROCESS

- 8.1 The Chairman informed that the Company had appointed Messrs Ernst & Young to act as independent Scrutineers and then invited their representatives to verify the polling results.
- 8.2 The Chairman declared the Meeting was adjourned to facilitate the voting and votes counting process.
- 8.3 The shareholders and proxy holders present were requested to proceed to the polling counter to collect their ballot papers. They were informed to indicate their vote on the ballot papers and then place them into the ballot box. The ballots count was conducted and the result of the poll was verified by the Scrutineers, Messrs Ernst & Young.
- 8.4 The Meeting was resumed at 6.30 p.m. The Chairman called the Meeting to order to declare the voting result on the Ordinary Resolution, as verified and confirmed by Messrs Ernst & Young, and summary result was noted as follows:

	<u>No. of shares held</u> <u>/votes cast</u>	<u>% of votes in</u> <u>terms of value</u>
No. of favourable votes (FOR)	59,394,253	99.0
No. of unfavourable votes (AGAINST)	599,274	1.0
No. of spoilt votes	-	-
Total	<hr/> <hr/> 59,993,527	<hr/> <hr/> 100.0

Since the votes cast in favour of the Ordinary Resolution exceed 50% of the total votes cast, the Meeting resolved:

“THAT, subject to the approvals of all relevant authorities and/or parties being obtained and/or relevant terms and conditions stated in the offer document dated 30 January 2015 issued by the Offeror pursuant to the conditional take-over offer by TNB in accordance to the Malaysian Code on Take-Overs and Mergers 2010 to acquire all the remaining Integrex Shares which are not already held by TNB (“Offer”) and notice of revised offer

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dated 25 February 2015 issued by the Offeror being met, approval be and is hereby given for Taipan Merit to dispose of its 47,341,643 Integrax Shares representing approximately 15.74% equity interest in Integrax to the Offeror pursuant to the Offer, or such other consideration as may be offered by the Offeror arising from a revision of the Offer by the Offeror, if any, or to another party with a superior offer or by sale of shares on Bursa Malaysia Securities Berhad in which Integrax trades on.

AND THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and/or things incidental, and/or as may be required or as they consider necessary and required under or in connection with and/or enter into any arrangements and/or agreements with any party or parties as they may deem fit, necessary, expedient and/or appropriate in order to implement, finalise, complete and to give full effect to the Proposed Disposal with full power to assent to any condition, modification, variation and/or amendment as the Board may deem fit and/or as may be required by the relevant authorities and/or as may be required to comply with any applicable laws, in relation to the Proposed Disposal.”

The Chairman then declared the Ordinary Resolution duly passed.

9.0 CLOSURE

There being no further business, the Meeting ended at 6.40 p.m. with a vote of thanks to the Chair and the Chairman thanked all present for their attendance.

SIGNED AS A CORRECT RECORD



CHAIRMAN

Dated: 27 March 2015

Ipoh

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