

PEGASUS HEIGHTS BERHAD
[Registration No. 197401002677 (19727-P)]

MINUTES OF THE FORTY EIGHTH ANNUAL GENERAL MEETING OF PEGASUS HEIGHTS BERHAD HELD VIRTUALLY FROM THE BROADCAST VENUE AT 1-40-2, MENARA BANGKOK BANK, BERJAYA CENTRAL PARK, NO. 105 JALAN AMPANG, 50450 KUALA LUMPUR, W.P. KUALA LUMPUR, MALAYSIA ON FRIDAY, 30 JUNE 2023 AT 10.00 A.M.

Present : Dato' Abdel Aziz @ Abdul Aziz Bin Abu Bakar (Chairman)
Dato' Sri Lee See Yang
Mr Toh Hong Chye
Mr Andrew Ho Tho Kong
Ms Low Yen Hoon

In Attendance : Mr Chin Wai Yi

Shareholders and Proxies participate via Remote Participation and Voting facility : As per attendance list

By Invitation : As per attendance list

1.0 CHAIRMAN

1.1 The Chairman, Dato' Abdel Aziz @ Abdul Aziz Bin Abu Bakar welcomed all shareholders and guests to the Forty Eighth Annual General Meeting (“48th AGM”) of the Company.

1.2 The Chairman thereafter informed the meeting that the members of the Board of Directors, the Company Secretary and management team were attending the meeting virtually.

2.0 QUORUM

2.1 The Chairman informed that based on the report issued by the Poll Administrator of the Company, a total of 60 members, comprising shareholders, proxies and corporate representatives, for a total of 3,333,648,861 ordinary shares representing 30.81% of the total issued shares of the Company have registered via the remote participation and voting (“RPV”) facilities for participation at the 48th AGM.

2.2 The Company had received in total 10 proxy forms from shareholders for a total of 2,429,901,427 shares representing 22.46% of the total issued shares of the Company. Out of those, there were 6 shareholders who have appointed the Chairman of the Meeting as proxy to vote on their behalf and the shares so represented stood at 2,429,755,327, representing 22.45% of the total issued shares of the Company.

2.3 The Chairman added that a quorum was present pursuant to Clause 77 of the Constitution of the Company and declared the 48th AGM duly convened.

PEGASUS HEIGHTS BERHAD

[Registration No. 197401002677 (19727-P)]

- Minutes of the Forty Eighth Annual General Meeting held on 30 June 2023

3.0 NOTICE OF MEETING

- 3.1 With the consent of the shareholders and proxies present, the Notice convening the meeting having been circulated within the prescribed period was taken as read.

4.0 POLLING

- 4.1 In line with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the voting at the 48th AGM would be conducted by poll.
- 4.2 The Chairman informed that the Company had appointed Digerati Technologies Sdn. Bhd. as Poll Administrator to conduct the poll voting process and Quantegic Services Sdn. Bhd. as Scrutineer to verify the poll results.
- 4.3 The Chairman encouraged all shareholders and proxies present to participate in the meeting and further informed that the shareholders and proxies would cast their votes after the resolutions set out in the Notice of the 48th AGM had been tabled and attended to the question and answer session.

5.0 AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 TOGETHER WITH THE REPORTS OF THE DIRECTORS' AND AUDITORS' THEREON

- 5.1 The Audited Financial Statements of the Company for the financial year ended 31 December 2022 together with the Directors' and the Auditors' Reports thereon which had been previously circulated to all shareholders were laid at the Meeting for discussion.
- 5.2 The Chairman informed that the Audited Financial Statements for the financial year ended 31 December 2022 were meant for discussion only as the provision of Section 340 of the Companies Act 2016 ("CA 2016") does not require a formal approval from shareholders of the Company.

**6.0 ORDINARY RESOLUTION 1
RE-ELECTION OF DIRECTOR – DATO' ABDEL AZIZ @ ABDUL AZIZ
BIN ABU BAKAR**

- 6.1 As chairman is an interested party, Ms Low Yen Hoon was invited to take over the chair.
- 6.2 Ms Low Yen Hoon informed that in accordance with Clause 105 of the Constitution of the Company, Dato' Abdel Aziz @ Abdul Aziz bin Abu Bakar retired from the Board and being eligible, offered himself for re-election.
- 6.3 Ms Low Yen Hoon handed the chair back to the Chairman.

PEGASUS HEIGHTS BERHAD

[Registration No. 197401002677 (19727-P)]

- Minutes of the Forty Eighth Annual General Meeting held on 30 June 2023

**7.0 ORDINARY RESOLUTION 2
RE-ELECTION OF DIRECTOR – CHIN PAK LOONG**

7.1 The Chairman informed that Ordinary Resolution 2 is on the re-election of Chin Pak Loong as Director retiring pursuant to Clause 105 of the Constitution of the Company will not be put forward for voting as Mr Chin Pak Loong has resigned on 23 June 2023.

**8.0 ORDINARY RESOLUTION 3
TO APPROVE THE PAYMENT OF DIRECTORS' FEES AND BENEFITS
PAYABLE TO THE NON-EXECUTIVE DIRECTORS OF THE COMPANY
AND ITS SUBSIDIARIES UP TO AN AGGREGATE AMOUNT OF
RM350,000.00 PER ANNUM UNTIL THE NEXT ANNUAL GENERAL
MEETING OF THE COMPANY**

8.1 The Chairman informed that the third resolution on the agenda is to approve the payment of the Directors' fees and benefits payable to the Non-Executive Directors of the Company and its subsidiaries up to an aggregate amount of Ringgit Malaysia Three Hundred and Fifty Thousand (RM350,000.00) per annum until the next Annual General Meeting of the Company.

**9.0 ORDINARY RESOLUTION 4
RE-APPOINTMENT OF MESSRS TGS TW PLT AS AUDITORS OF THE
COMPANY**

9.1 The Chairman informed that Ordinary Resolution 4 is to approve the re-appointment of Messrs TGS TW PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

**10.0 ORDINARY RESOLUTION 5
AUTHORITY UNDER SECTION 76 OF CA 2016 FOR THE DIRECTORS TO
ALLOT SHARES OR GRANT RIGHTS**

10.1 The Chairman informed that the Special Business to be transacted at the 48th AGM, was to consider and if thought fit, pass an ordinary resolution to renew the general mandate from shareholders to authorise the Directors to issue an aggregate number of shares not exceeding ten per cent (10%) of the issue share capital of the Company pursuant to Section 76 of CA 2016.

11.0 ANY OTHER BUSINESS

PEGASUS HEIGHTS BERHAD

[Registration No. 197401002677 (19727-P)]

- Minutes of the Forty Eighth Annual General Meeting held on 30 June 2023

- 11.1 The Chairman informed that there was no other business to be transacted of which due notice had been given in accordance with the Constitution of the Company and CA 2016.

12.0 QUESTION AND ANSWER SESSION

- 12.1 After tabling the resolutions set out in the Notice of 48th AGM, the Chairman invited Mr Tiew Chee Ming, the Group Accountant to present the Company's responses to the questions in relation to the operation and financial submitted by the Minority Shareholders Watch Group ("MSWG") prior to the 48th AGM, details of which were set out in Appendix A attached.

- 12.2 The Chairman then invited Mr Chin Wai Yi, the Company Secretary to present the Company's responses to the questions in relation to Corporate Governance matters submitted by the MSWG prior to the 48th AGM, details of which were set out in Appendix A attached.

- 12.3 After having addressed all the questions raised prior to the 48th AGM, the Chairman proceeded to address further questions from shareholders and proxies via typed text or live response, to which there was none.

- 12.4 After having addressed all the questions raised, the Chairman informed the Meeting to proceed with voting. Shareholder and proxies were given another five (5) minutes to vote if they have not done so earlier.

- 12.5 The Chairman further conveyed that in his capacity as Chairman of the meeting, he has been appointed as proxy by some shareholders and will be voting in accordance with their instructions.

- 12.6 The Chairman declared the polling closed at 10.25 a.m. for the votes to be tabulated by the Poll Administrator and verified by the Scrutineers. The meeting resumed at 10.31 a.m. for the declaration of the results of the poll.

13.0 ANNOUNCEMENT OF POLL RESULT ON ORDINARY RESOLUTION 1 RE-ELECTION OF DIRECTOR – DATO' ABDEL AZIZ @ ABDUL AZIZ BIN ABU BAKAR

- 13.1 The Ordinary Resolution 1 was voted by poll and the results of the poll were present to the meeting as follows:

Votes For		Votes Against	
No. of Votes	%	No. of Votes	%
3,331,324,659	99.9964	121,002	0.0036

PEGASUS HEIGHTS BERHAD

[Registration No. 197401002677 (19727-P)]

- Minutes of the Forty Eighth Annual General Meeting held on 30 June 2023

13.2 Based on the above result, the Chairman declared that the Ordinary Resolution 1 was carried. Accordingly, it was RESOLVED:

13.3 That Dato' Abdel Aziz @ Abdul Aziz bin Abu Bakar who retired pursuant to Clause 105 of the Constitution of the Company is hereby re-elected as a Director of the Company.

**14.0 ANNOUNCEMENT OF POLL RESULT ON ORDINARY RESOLUTION 2
RE-ELECTION OF DIRECTOR – CHIN PAK LOONG**

14.1 The Ordinary Resolution 2 was withdrawn as Chin Pak Loong had resigned on 23 June 2023 and the results of the poll were present to the meeting as follows

Votes For		Votes Against	
No. of Votes	%	No. of Votes	%
0	0	0	0

**15.0 ANNOUNCEMENT OF POLL RESULT ON ORDINARY RESOLUTION 3
TO APPROVE THE PAYMENT OF DIRECTORS' FEES AND BENEFITS
PAYABLE TO THE NON-EXECUTIVE DIRECTORS OF THE COMPANY
AND ITS SUBSIDIARIES UP TO AN AGGREGATE AMOUNT OF
RM350,000.00 PER ANNUM UNTIL THE NEXT ANNUAL GENERAL
MEETING OF THE COMPANY**

15.1 The Ordinary Resolution 3 was voted by poll and the results of the poll were present to the meeting as follows:

Votes For		Votes Against	
No. of Votes	%	No. of Votes	%
3,331,152,259	99.9912	293,402	0.0088

15.2 Based on the above result, the Chairman declared that the Ordinary Resolution 3 was carried. Accordingly, it was RESOLVED:

15.3 That the payment of the Directors' fees and benefits payable to the Non-Executive Directors of the Company and its subsidiaries up to an aggregate amount of Ringgit Malaysia Three Hundred and Fifty Thousand (RM350,000.00) per annum until the next Annual General Meeting of the Company is hereby approved for payment.

**16.0 ANNOUNCEMENT OF POLL RESULT ON ORDINARY RESOLUTION 4
RE-APPOINTMENT OF MESSRS TGS TW PLT AS AUDITORS OF THE
COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR
REMUNERATION**

PEGASUS HEIGHTS BERHAD

[Registration No. 197401002677 (19727-P)]

- Minutes of the Forty Eighth Annual General Meeting held on 30 June 2023

- 16.1 The Ordinary Resolution 4 was voted by poll and the results of the poll were present to the meeting as follows:

Votes For		Votes Against	
No. of Votes	%	No. of Votes	%
3,331,323,661	99.9963	122,000	0.0037

- 16.2 Based on the above result, the Chairman declared that the Ordinary Resolution 4 was carried. Accordingly, it was RESOLVED:
- 16.3 That the re-appointment of Messrs TGS TW PLT as Auditors of the Company are hereby re-appointed as Auditors of the Company for the ensuing year until the conclusion of the next Annual General Meeting and that the Directors are hereby authorised to fix their remuneration.

**17.0 ANNOUNCEMENT OF POLL RESULT ON ORDINARY RESOLUTION 5
AUTHORITY UNDER SECTION 76 OF CA 2016 FOR THE DIRECTORS TO
ALLOT SHARES OR GRANT RIGHTS**

- 17.1 The Ordinary Resolution 5 was voted by poll and the results of the poll were present to the meeting as follows:

Votes For		Votes Against	
No. of Votes	%	No. of Votes	%
3,331,154,459	99.9913	291,202	0.0087

- 17.2 Based on the above result, the Chairman declared that the Ordinary Resolution 5 was carried. Accordingly, it was RESOLVED:
- 17.3 THAT pursuant to Section 76 of the Companies Act 2016, the Directors be and are hereby empowered to allot and issue shares in the Company, at any time, at such price, upon such terms and conditions, for such purpose and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total issued shares/total number of voting shares of the Company (excluding treasury shares) at the time of issue.

That pursuant to Section 85 of the Companies Act 2016 approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued Company's shares arising from any issuance of new Company's shares pursuant to Section 76 of the Companies Act 2016.

That the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and

PEGASUS HEIGHTS BERHAD

[Registration No. 197401002677 (19727-P)]

- *Minutes of the Forty Eighth Annual General Meeting held on 30 June 2023*

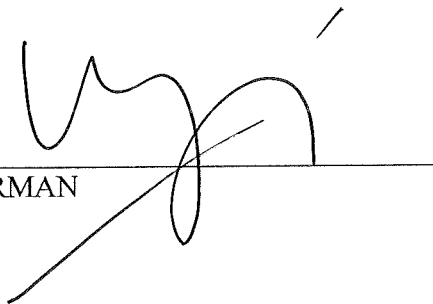
THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

18.0 CLOSURE OF MEETING

18.1 There being no other business, the Chairman, on behalf of the Board thanked all present for their attendance at the Meeting and declared the 48th AGM duly closed at 10.32 a.m.

CONFIRMED AS CORRECT RECORD
OF THE PROCEEDINGS THEREAT

CHAIRMAN

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, is written over a horizontal line. The signature is positioned to the right of the word 'CHAIRMAN'.

PEGASUS HEIGHTS BERHAD

[Registration No. 197401002677 (19727-P)]

- Minutes of the Forty Eighth Annual General Meeting held on 30 June 2023

Appendix A

No.	Questions	Answers
1.	<p>The project management consultancy, (“PMC”) business segment recorded a higher loss before tax of RM1.81 million in FY 2022 as compared to a profit before tax of RM0.51 million in FY 2021. (Page 5 of AR)</p> <p>The Group is working on identifying new revenue streams and cost optimisation measures to navigate through these challenging times.</p> <p>a) Has the Group identified any new revenue stream for PMC? If yes, what are they? b) What are the cost optimisation measures taken? Please explain the expected savings from the optimization measures introduced. c) What is the outlook of PMC in FY 2023?</p>	<p>a) The group has been exploring various avenues for revenue generation in the project management consultancy (PMC) sector, including targeting clients in large-scale development and entertainment industries. However, the market has remained very challenging post covid.</p> <p>b) To optimize costs, the company has implemented a voluntary separation scheme for its staff. The Group had shifted its employment strategy by employing contract-based employees and maximizing the employee’s efficiency.</p> <p>c) The outlook for PMC in Financial Year (“FY”) 2023 remains very challenging amidst economic headwinds. In view of this management is evaluating all possible options including winding down operations if the segment’s performance not improving.</p>
2.	<p>The mall experienced a transient drop in occupancy from 86.9% to 58.5% due to the departure of a previous anchor tenant. During Q1 2023, the Company has signed a new anchor tenant, that will commence operations in Q2 2023 on improved rental rates.</p> <p>a) Who is the anchor tenant? b) What is the difference between the new rental rate from the new anchor tenant and the rental rate of the old anchor tenant? c) What is the tenancy period with the new anchor tenant?</p>	<p>a) The new anchor tenant is Best Fresh Mart.</p> <p>b) The Company is unable to disclose specific difference in the rental rates between the new anchor tenant and the previous anchor tenant as it is considered confidential and proprietary to the company.</p> <p>c) The 1st term of the tenancy period with the new anchor tenant started from 1st April 2023 to 31 March 2026, with an option to renew for a further 4 terms at 3 years per term at revised rates.</p>
3.	<p>The Company has granted 646.2 million shares under the Share Issuance Scheme (“SIS”) to the directors and chief executives of the Group. (Page 47 of AR)</p> <p>Please provide the names and number of shares granted to each director and chief executives of the Group respectively.</p>	<p>Since the implementation of the SIS options on 28 May 2015, the Company had made announcements on the SIS Options granted to the Directors and Chief Executives of the Company as per the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.</p> <p>Kindly refer to the table below for the number of SIS Options granted:</p>

PEGASUS HEIGHTS BERHAD

[Registration No. 197401002677 (19727-P)]

- Minutes of the Forty Eighth Annual General Meeting held on 30 June 2023

		<table border="1"> <thead> <tr> <th>Directors</th> <th>SIS Options granted</th> </tr> </thead> <tbody> <tr> <td>Dato' Abdel Aziz @ Abdul Aziz bin Abu Bakar</td> <td>13,300,000</td> </tr> <tr> <td>Dato' Sri Lee See Yang</td> <td>273,200,000</td> </tr> <tr> <td>Toh Hong Chye</td> <td>289,700,000</td> </tr> <tr> <td>Directors and Chief Executives who has resigned</td> <td>70,000,000</td> </tr> </tbody> </table>	Directors	SIS Options granted	Dato' Abdel Aziz @ Abdul Aziz bin Abu Bakar	13,300,000	Dato' Sri Lee See Yang	273,200,000	Toh Hong Chye	289,700,000	Directors and Chief Executives who has resigned	70,000,000
Directors	SIS Options granted											
Dato' Abdel Aziz @ Abdul Aziz bin Abu Bakar	13,300,000											
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Directors and Chief Executives who has resigned	70,000,000											
4.	<p>Included in the loan receivables from third parties amounted to RM10.768 million in FY 2022 and RM3.02 million were in respect of money lending business. (Page 103 of AR)</p> <p>What is the profit/(loss) before tax from the money lending business in FYs 2022 and 2021?</p>	<p>The money lending business incurred a loss before tax of RM217,000 and RM54,000 in FY 2021 and FY2022 respectively.</p>										
5.	<p><u>Corporate Governance Matters</u></p> <p>Mr. Toh Hong Chye, the Executive Director (“ED”) of the Company is also the ED of AppAsia Berhad and Sinmah Capital Berhad, both public listed companies on Bursa Malaysia.</p> <p>The ED role is a full-time job. EDs should devote their time to the PLC in which they sit instead of having ED positions in other listed companies.</p> <p>As the Group has been making losses in the past 4 years, should not Mr Toh dedicate his time completely to turning around the Group instead of sitting as ED in other PLCs?</p>	<p>The Board of Directors of the Company takes the time commitment and efficacy of Directors seriously and is satisfied that Mr Toh Hong Chye has been able to devote sufficient time and attention to his responsibilities as the Executive Director of Pegasus Heights Berhad. Mr. Toh Hong Chye is fully supported by competent senior management on the day-to-day operations of the Company.</p>										