

**BM GREENTECH BERHAD**  
Registration No. 201001013463 (897694-T)  
(Incorporated In Malaysia)

Minutes of the **Extraordinary General Meeting** of **BM GreenTech Berhad** held at **Zamrud Room, The Saujana Hotel Kuala Lumpur, Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan**, on **Friday, 18 October 2024** at **10.00 a.m.**

PRESENT : As per Attendance List

IN ATTENDANCE : Ms. Tan Bee Hwee } Joint Company Secretaries  
Ms. Soo Siew Peng }

**ACTION**

**1. CHAIRMAN**

Dr Chia Song Kun presided as Chairman (“**Dr Chairman**”) of the meeting and welcomed all present to the Extraordinary General Meeting (“**EGM**”) of BM GreenTech Berhad (“**BMG**” or “**the Company**”).

**2. QUORUM**

2.1 The Secretary confirmed that a quorum was present for the meeting pursuant to Clause 56(2) of the Company’s Constitution.

2.2 The Secretary further informed that 64 valid proxy forms, which represented 333,547,500 shares or 64.64% of the issued and paid-up share capital of the Company, for the EGM were received within the prescribed period.

2.3 With the requisite quorum being present, Dr Chairman declared the meeting duly convened at 10.00 a.m.

**3. NOTICE**

The notice of meeting circulated earlier was taken as read.

**4. OVERVIEW OF THE PROPOSALS**

4.1 Dr Chairman invited Mr Gan Chih Soon, the Executive Director of BMG to deliver a presentation on the Proposed Acquisition of Plus Xnergy Holding Sdn Bhd (“**PXH**”), Proposed Issuance to QL Green Resources Sdn Bhd (*wholly-owned subsidiary of QL Resources Berhad*)(“**QL**”) and Proposed Bonus Issue of Warrants (“**the Proposals**”) as outlined in the Circular to Shareholders dated 3 October 2024 (“**the Circular**”).

**ACTION**

Mr Gan Chih Soon, along with Mr Goh Yao Yen, the representative from UOB Kay Hian Securities (M) Sdn Bhd (“**the Principal Adviser**”), presented an overview of the Proposals, which included the following key highlights: -

- Basis and justification of the Purchase Consideration
- Enlarged BMG Group
- Business and operational highlights of PXH Group
- Utilisation of proceeds from the Proposed Issuance to QL

4.2 Dr Chairman thanked Mr Gan Chih Soon and Mr Goh Yao Yen. He invited questions related to the Proposals from the floor.

4.3 The questions raised by the shareholders, and the responses, are detailed in Appendix 1.

**5. PROCEEDINGS OF THE EGM AND VOTING PROCEEDINGS**

5.1 Dr Chairman informed the meeting about the proceedings of the EGM and voting proceedings. He explained that in line with Bursa Malaysia Securities Berhad’s Listing Requirements, voting for all the resolutions to be tabled at the EGM would be conducted by way of poll.

5.2 The poll voting for all the resolutions tabled was conducted at the end of the meeting after all the resolutions as set out in the agenda had been duly tabled.

**ORDINARY RESOLUTION 1**

**6. PROPOSED ACQUISITION OF 100% EQUITY INTEREST IN PLUS XNERGY HOLDING SDN BHD (“PXH”) FOR A PURCHASE CONSIDERATION OF RM110.0 MILLION (“PURCHASE CONSIDERATION”) TO BE FULLY SATISFIED BY THE ISSUANCE OF 81,481,482 NEW ORDINARY SHARES IN BMG (“BMG SHARE(S)” OR “SHARE(S)”) (“CONSIDERATION SHARE(S)”) AT AN ISSUE PRICE OF RM1.35 PER CONSIDERATION SHARE (“PROPOSED ACQUISITION”)**

6.1 As Dr Chairman was an interested party in the above proposed motion, he proposed that Mr Ng Swee Weng take over as Chair for the above resolution and Ordinary Resolutions 2 and 3. With no objections raised by the shareholders, Mr Ng Swee Weng assumed the role of Chair and tabled the above motion for the shareholders’ approval.

6.2 Mr Ng Swee Weng chaired the meeting in respect of Ordinary Resolution 1 of the agenda pertaining to the Proposed Acquisition.

6.3 It was highlighted that Ordinary Resolution 1 was inter-conditional upon Ordinary Resolution 2, and the Interested Directors, namely Dr Chia Song Kun, Mr Chia Lik Khai and Mr Chia Seong Fatt and the Interested Parties, namely QL Resources Berhad, QL Green Resources Sdn Bhd, and the Interested Directors would abstain from voting and deliberation on the following motion: -

**ACTION**

“THAT, subject to the passing of Ordinary Resolution 2 as well as the approvals of all relevant authorities and/or parties including the approval of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the listing of and quotation for the Consideration Shares on the Main Market of Bursa Securities being obtained, approval be and is hereby given to BMG to undertake the Proposed Acquisition (details of which are set out in the Circular to the shareholders of BMG dated 3 October 2024 (“Circular”)) in accordance with the terms and conditions as stipulated in the conditional share acquisition agreement (“SAA”) dated 11 July 2024 entered into between BMG and shareholders of PXH (“Vendors”) (salient terms of which are set out in Appendix I of the Circular), and on such other terms and conditions as the parties to the SAA may mutually agree upon in writing or which are imposed by the relevant authorities;

THAT approval be and is hereby given to the Board of Directors of BMG (“Board”) to allot and issue the Consideration Shares at an issue price of RM1.35 per Consideration Share to the Vendors for the purpose of satisfaction of the Purchase Consideration;

THAT the Consideration Shares shall, upon allotment and issuance, rank equally in all respects with each other and with the existing BMG Shares, save and except that the Consideration Shares shall not be entitled to any dividends, rights, allotments and/or any other forms of distributions that may be declared, made or paid, where the entitlement date precedes the relevant date of allotment and issuance of the Consideration Shares;

AND THAT approval be and is hereby given to the Board to give effect to the Proposed Acquisition with full powers and authority to:-

- (i) enter into any arrangement, transaction, agreement and/or undertaking and to execute, sign and deliver for and on behalf of BMG, all such agreements, instruments, documents and/or deeds as the Board may from time to time deem necessary, expedient or appropriate for or in connection with the Proposed Acquisition;
- (ii) assent and/or give effect to any condition, variation, modification, addition and/or amendment in respect of the Proposed Acquisition and/or any provision, term and condition thereof as may be required or permitted by any relevant authorities and to deal with matters relating thereto and/or as the Board may in its absolute discretion deem necessary, expedient or appropriate for or in connection with the Proposed Acquisition in the best interest of BMG; and
- (iii) take all such steps and do all such acts, deeds and things including giving undertakings as the Board may from time to time deem necessary, expedient or appropriate in order to implement, finalise, give full effect to and complete all transactions contemplated under the Proposed Acquisition.”

6.4 The responses to the questions raised by shareholders regarding Ordinary Resolution 1 are detailed in Appendix 1 of these minutes.

6.5 Since the polling in respect of the Ordinary Resolution 1 would be held at the end of the meeting, he proceeded to the next agenda item as set out in the Notice of the EGM.

**ORDINARY RESOLUTION 2**

**7. PROPOSED ISSUANCE OF 90,312,918 NEW BMG SHARES (“PLACEMENT SHARE(S)”) TO QL GREEN RESOURCES SDN BHD (“QLGR”) (A WHOLLY-OWNED SUBSIDIARY OF QL RESOURCES BERHAD (“QL”)) AT AN ISSUE PRICE OF RM1.35 PER PLACEMENT SHARE (“PROPOSED ISSUANCE TO QL”)**

7.1 Mr Ng Swee Weng referred to Ordinary Resolution 2 of the agenda in respect of the Proposed Issuance to QL.

7.2 It was highlighted that Ordinary Resolution 2 was inter-conditional upon Ordinary Resolution 1, and the Interested Directors namely Dr Chia Song Kun, Mr Chia Lik Khai and Mr Chia Seong Fatt and the Interested Parties, namely QL Resources Berhad, QL Green Resources Sdn Bhd, and the Interested Directors would abstain from voting and deliberation on the following motion.: -

“THAT, subject to the passing of Ordinary Resolution 1 as well as the approvals of all relevant authorities and/or parties including the approval of Bursa Securities for the listing of and quotation for the Placement Shares on the Main Market of Bursa Securities being obtained:-

- (i) approval be and is hereby given to BMG to place, and pursuant thereto for the Board to allot and issue 90,312,918 Placement Shares to QLGR at an issue price of RM1.35 per Placement Share;
- (ii) the Placement Shares shall, upon allotment and issuance, rank equally in all respects with each other and with the existing BMG Shares, save and except that the Placement Shares shall not be entitled to any dividends, rights, allotments and/or any other forms of distributions that may be declared, made or paid, where the entitlement date precedes the relevant date of allotment and issuance of the Placement Shares;
- (iii) the proceeds raised from the Proposed Issuance to QL be utilised for the purposes set out in Section 5.1 of the Circular and the Board be authorised with full power to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient, or in the best interest of the Company, subject to the approval of the relevant authorities (where required); and
- (iv) approval and authority be and are given to the Board to do all such acts and things as they may consider necessary or expedient in the best interests of BMG with full power to assent to any condition, modification, variation and/or amendment that may be required, or that may be imposed by any regulatory authority, and to issue and execute all declarations, confirmations, agreements, instruments and such other documents and arrangements as may be necessary or expedient to give full effect to, implement and complete the Proposed Issuance to QL.”

7.3 The responses to the questions raised by shareholders regarding Ordinary Resolution 2 are detailed in Appendix 1 of these minutes.

- 7.4 Since the polling in respect of the Ordinary Resolution 2 would be held at the end of the meeting, he proceeded to the next agenda item as set out in the Notice of the EGM.

**ORDINARY RESOLUTION 3**

- 8. PROPOSED BONUS ISSUE OF 171,948,600 WARRANTS IN BMG (“WARRANT(S)”) ON THE BASIS OF 1 WARRANT FOR EVERY 4 EXISTING BMG SHARES HELD BY THE SHAREHOLDERS OF BMG WHOSE NAMES APPEAR IN THE COMPANY’S RECORD OF DEPOSITORS (“ENTITLED SHAREHOLDERS”) ON THE ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“ENTITLEMENT DATE”) (“PROPOSED BONUS ISSUE OF WARRANTS”)**
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- 8.1 Mr Ng Swee Weng referred to Ordinary Resolution 3 of the agenda in respect of the Proposed Bonus Issue of Warrants: -

“THAT subject to the passing of Ordinary Resolutions 1 and 2 as well as the approvals of all relevant authorities and/or parties including the approval of Bursa Securities for the admission of the Warrants to the Official List of Bursa Securities and the listing of and quotation for the Warrants as well as the new BMG Shares to be allotted and issued arising from the exercise of the Warrants on the Main Market of Bursa Securities being obtained, the Board be and is hereby authorised to issue 171,948,600 Warrants, on the basis of 1 Warrant for every 4 BMG Shares held by the Entitled Shareholders on the Entitlement Date;

THAT the Board be and is hereby authorised to fix the exercise price of the Warrants on the basis and manner set out in the Circular;

THAT any one of the Directors be and is hereby authorised to enter into and execute a deed poll constituting the Warrants (“Deed Poll”) and to do all acts, deeds and things as he may deem fit and/or expedient, in order to implement, finalise and give full effect to the Deed Poll;

THAT the Board be and is hereby authorised to disregard any fractional entitlements of the Warrants that may arise from the Proposed Bonus Issue of Warrants, if any, in such manner as the Board shall in their absolute discretion deem fit and expedient in the best interest of the Company;

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

**ACTION**

THAT approval be and is hereby given to the Board to allot and issue such appropriate number of new BMG Shares, credited as fully paid-up, to the Warrant holders arising from the exercise of the Warrants and Additional Warrants, if any, by the Warrant holders in accordance with the provisions of the Deed Poll;

THAT the new BMG Shares to be allotted and issued arising from the exercise of Warrants shall, upon allotment and issuance, rank equally in all respects with each other and with the existing BMG Shares, save and except that the new BMG Shares shall not be entitled to any dividends, rights, allotments and/or any other forms of distributions that may be declared, made or paid, where the entitlement date precedes the relevant date of allotment and issuance of such new BMG Shares;

THAT the proceeds raised from the exercise of the Warrants, if any, be utilised for the purposes set out in Section 5.2 of the Circular and the Board be authorised with full power to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient, or in the best interest of the Company, subject to the approval of the relevant authorities (where required);

AND THAT the Board be and is hereby authorised to take all necessary steps to give effect to the Proposed Bonus Issue of Warrants with full power to assent to any condition, modification, variation and/or amendment in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue of Warrants.”

- 8.2 The responses to the questions raised by shareholders regarding Ordinary Resolution 3 are detailed in Appendix 1 of these minutes.
- 8.3 Since the polling in respect of the Ordinary Resolution 3 would be held at the end of the meeting, Mr Ng Swee Weng handed the Chair back to Dr Chia Song Kun.

**9. CONDUCT OF POLL**

The meeting adjourned at 11.13 a.m. for the poll and re-convened at 11.38 a.m. after the votes were counted and verified by the Official Scrutineers, Coopers Professional Scrutineers Sdn Bhd (“the Scrutineer”).

**10. ANNOUNCEMENT OF POLL RESULTS**

- 10.1 Dr Chairman thanked the shareholders for staying back for the poll results. He then announced the poll results.
- 10.2 Based on the poll results duly verified by the Scrutineer for the respective resolutions, Dr Chairman announced that all the resolutions tabled at the Company’s EGM were approved by the shareholders and proxies present, and he declared all the following resolutions carried:

**ACTION**

Resolution(s)	Vote For		Vote Against		Results
	No. of Units	%	No. of Units	%	
Ordinary Resolution 1	127,230,582	100.0000	0	0.0000	Carried
Ordinary Resolution 2	122,850,882	96.5577	4,379,700	3.4423	Carried
Ordinary Resolution 3	402,077,988	98.9380	4,315,700	1.0620	Carried

**11. CLOSURE OF MEETING**

There being no further business to be transacted, the meeting ended at 11.40 a.m. with a vote of thanks to the Chair.

CONFIRMED AS A CORRECT RECORD

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DR CHAIRMAN

Dated:

**BM GreenTech Berhad (“BMG” or “the Company”) – Minutes of EGM held on 18 October 2024**

**Questions and Answers in respect of BM GreenTech Berhad’s EGM held on 18 October 2024**

No.	Questions	Answers
<b>Questions from Shareholders as responded during EGM</b>		
1.	<p>Mr Chee Sai Mun asked the following questions:</p> <p>(a) What is the issue price per Placement Share to QL compared with the issue price per Consideration Share to PXH Group?</p> <p>(b) Noted that PXH recorded approximately RM70 million in assets with a PBT of RM8 million in FY2024. How was the profit generated? Was it from Engineering, Procurement, Contracting, and Commissioning (“EPCC”), or from Large Scale Solar (“LSS”) projects? And what are the assets held?</p> <p>(c) Does PXH own any Large Scale Solar (LSS) projects that are concession-based?</p> <p>(d) In terms of the sale of generated energy, does PXH own any Large Scale Solar (LSS) project?</p> <p>(e) Referring to the slide presented by Management just now, in determining the Purchase Consideration, the Board has taken into account the PE multiple of comparable companies listed on Bursa Malaysia. On the Purchase Consideration, which represents a PE Multiple of 15.12 times and 21.99 times (with additional funding of RM50 million), he raised the following questions:</p>	<p>(a) Both the issue price per Placement Share to QL and the issue price per Consideration Share to PXH Group is fixed at RM1.35 per share.</p> <p>(b) PXH’s revenue contribution comes from EPCC, primarily from the Commercial &amp; Industrial market and large-scale solar projects.</p> <p>(c) Not yet at the moment.</p> <p>(d) None. However, PXH’s subsidiary is currently energising 8 solar rooftop projects and is in the process of increasing the number to 11 projects. It owns assets and contracts that are expected to generate future income.</p> <p>(e) The primary basis for the Purchase Consideration of RM110 million takes into consideration the combined value of the PXH Group’s net assets valued at RM72 million and the profit guarantee of RM44 million (PE: 15 times). It should also be noted that additional RM50 million will be invested into PXH Group over the next 36 months (PE: 22 times).</p> <p>In view of the above, the Proposed Acquisition is hence justifiable and attractive to BMG Group as both the PE Multiple disclosed in the circular are below the average trading PE Multiple of the Comparable Companies.</p>

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No.	Questions	Answers
	<ul style="list-style-type: none"> <li>• When does the Board expect the Group to achieve a PE ratio of, for example, 12 or 10, and within how many years?</li> <li>• What is the Internal Rate of Return (IRR), for example, within the 5 to 10 years profit projection?</li> <li>• Is there any restriction period imposed on the sale of the Consideration Shares issued to Vendors upon completion of the acquisition?</li> <li>• Why are shares being used as consideration for the Proposed Acquisition instead of cash?</li> </ul>	<ul style="list-style-type: none"> <li>• The revenue projection of PXH Group for the next 3 years indicates robust growth.</li> <li>• The Proposed Acquisition involves the Profit Guarantee provided by the Vendors to the Group. The Group stands to benefit from the accumulated guaranteed PAT during the entire Guarantee Period, which in turn will further enhance the asset base and earnings base through the consolidation of PXH Group’s results moving forward.</li> <li>• 32,592,593 Consideration Shares, representing 40.0% of the Purchase Consideration (i.e., Deposited Securities) will be held by the Trustee as part of the terms of the Proposed Acquisition, and shall be released to the Vendors upon PXH Group achieving and maintaining the Profit Guarantee throughout the Guarantee Period (i.e., over a period of 4 years). For the avoidance of doubt, the remaining 60% of the Consideration Shares retained by the Vendors upon completion of the Proposed Acquisition will not be subject to any sale restrictions.</li> <li>• The shares are deemed as the most suitable mode of consideration in view of the following: - <ul style="list-style-type: none"> <li>- the Issue Price is deemed sufficiently attractive for the Vendors to accept the Purchase Consideration in the form of Consideration Shares and for BMG Group to secure the commitment of the Vendors in closing the transaction;</li> <li>- settlement of the Purchase Consideration via the issuance of the Consideration Shares will enable BMG Group to enhance its asset base without relying on internally generated funds and/or bank borrowings;</li> <li>- with the Vendors eventually holding equity in the Company, there will provide added motivation for the Vendors to assist in the growth of the enlarged BMG Group and increase shareholders’ value in the long term; and</li> <li>- to align the Vendors’ interests with the long-term success and growth of BMG Group.</li> </ul> </li> </ul>

**BM GreenTech Berhad (“BMG” or “the Company”) – Minutes of EGM held on 18 October 2024**

No.	Questions	Answers
	<p>(f) Are we planning to integrate the biomass business into the solar (LSS) energy segment moving forward?</p> <p>(g) Considering that biomass is part of the boiler business and usually operates as a standalone venture related to palm oil mills, are we exploring its potential for power generation?</p> <p>(h) Is the installed capacity of more than 500MWp, by combining PXH Group and Tera VA Sdn Bhd (“Tera”), referring to the cumulative total or the current amount?</p> <p>(i) How do we integrate the two entities? Are they duplicative or do they complement each other?</p> <p>(j) Considering the positive market factors, such as low solar panel prices and our strong internal financial capability, are we exploring the possibility of securing LSS concessions? If yes, how long will it take?</p>	<p>(f) One of our strategies for business growth is to develop our own assets. We are focusing not only on the solar business but also exploring the potential in biomass. We intend to allocate some of the proceeds (from the placement of shares to QL) to pursue this opportunity.</p> <p>(g) BMG has been actively exploring strategies to become an asset owner in biomass, covering the full spectrum of generating energy. With the government’s initiative under the National Energy Transition Roadmap (NETR) to achieve carbon neutrality, we are strategically positioned to participate in these government programs by providing combined solar and biomass energy solutions, strengthening our role as a clean energy provider.</p> <p>(h) The installed capacity of more than 500MWp refers to the cumulative total with the combination of both PXH Group and Tera’s installations.</p> <p>(i) The two entities will continue to operate as usual, focusing on their respective strengths and resources for different markets. Tera primarily serves small and medium enterprises (SMEs) and local corporations, while PXH undertakes larger projects, such as Large-Scale Solar (LSS) and utilities for multinational companies. Though there is some overlap between the two entities, it is minimal. The Proposed Acquisition will enable the enlarged Group to tap into the growing market for renewable energy and the expanding solar energy industry.</p> <p>(j) Currently, we do not own any assets or any solar concessions. Therefore, the Proposed Acquisition will provide the Group with the potential to undertake larger projects such as LSS, Third Party Access (TPA), and the Corporate Renewable Energy Supply Scheme (CRESS) within the clean energy ecosystem. This will also enable the Group to develop and own renewable energy assets, leveraging synergistic benefits such as technical expertise, workforce, and resources.</p>

**BM GreenTech Berhad (“BMG” or “the Company”) – Minutes of EGM held on 18 October 2024**

No.	Questions	Answers
2.	<p>Mr Teh Kian Lang asked the following questions:</p> <p>(a) It is a good opportunity for both biomass and solar energy projects to benefit from Malaysia's renewable energy schemes, such as the Feed-in Tariff (FiT), which is set to incentivize the adoption of clean energy solutions. May I know which energy source, biomass or solar, has a higher tariff and is more competitive?</p> <p>(b) Will the bonus issue of warrants (Warrants) be placed with the escrow agent and released to the Vendors over the guarantee period?</p>	<p>(a) Based on the current renewable energy schemes in Malaysia, solar energy generally has a higher tariff and is more competitive compared with biomass energy. The government's incentives including the Feed-in Tariff (FiT) provide favourable rates for solar energy, making it a more attractive option. Biomass energy generation, on the other hand, inherently has more complexity and variables to manage (e.g. fuel, charges for operations and maintenance).</p> <p>(b) Out of the total 81,481,482 Consideration Shares, 60% will be issued to the Vendors. The remaining 40% (“Deposited Securities”) will be issued to an escrow agent and will be released gradually to the Vendors over the 4 year profit guarantee period.</p> <p>The Warrants attributable to the first 60% Consideration Shares will be issued to the Vendors whereas the Warrants attributable to the balance 40% Consideration Shares will be placed with the same escrow agent as additional securities but not as part of the Deposited Securities.</p> <p>The Warrants shall be released to the Vendors in proportion to the amount of the Deposited Securities released to the Vendors throughout the tenure of the Warrants in accordance with the terms of the stakeholders agreement entered into between the escrow agent, the Vendors and the Company.</p>
3.	<p>Mr Chee Sai Mun asked the following question:</p> <p>(a) Will the vendors be subject to Capital Gains Tax (CGT) introduced by the Inland Revenue Board for gains or profits (if any) arising from the disposal of PXH shares.</p>	<p>(a) Yes, the Vendors who are corporate entities would be subject to Capital Gains Tax (CGT), if applicable.</p>