

LAND & GENERAL BERHAD

(Company No. 5507-H)

(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED

THE FIFTY-FOURTH (54TH) ANNUAL GENERAL MEETING OF THE COMPANY HELD AT THE SAGA ROOM, SRI DAMANSARA CLUB, LOT 23304, PERSIARAN PERDANA, BANDAR SRI DAMANSARA, 52200 KUALA LUMPUR ON WEDNESDAY, 13 SEPTEMBER 2017 AT 10.00 A.M.

PRESENT

DATO' HJ ZAINAL ABIDIN PUTIH

DESIGNATION

CHAIRMAN

MR LOW GAY TECK

MANAGING DIRECTOR ("MD")

ENCIK FERDAUS MAHMOOD

DIRECTOR

DATO' HJ IKHWAN SALIM DATO' HJ SUJAK

DIRECTOR

DATO' IR DR A BAKAR JAAFAR

SENIOR INDEPENDENT DIRECTOR

YM TENGKU MARUAN TENGKU ARIFF

DIRECTOR

MR CHIU ANDREW WAH WAI

DIRECTOR

MR CHAI KENG WAI

DIRECTOR

ABSENT WITH APOLOGIES

MR HOONG CHEONG THARD

DIRECTOR

SHAREHOLDERS / PROXIES / CORPORATE REPRESENTATIVE

AS PER ATTENDANCE LIST

BY INVITATION

MR WONG KEET LOY

CHIEF FINANCIAL OFFICER ("CFO")

MS CHEE YUET SIN

GROUP FINANCIAL CONTROLLER

MR TAN BOON SIONG

CORPORATE ADVISER

MR NS LINGAM

)

LIM ENG HOE

)

) MESSRS ERNST & YOUNG ("EY")

MS SOH MING YEE

)

)

OTHERS AS PER ATTENDANCE LIST

IN ATTENDANCE

MS LEE SIW YENG

COMPANY SECRETARY

1.0 PRESENTATION BY MANAGEMENT

Management provided a presentation on the status update and progress of the Group for the financial year ended 31 March 2017 and also on the latest development of the Group.

1.1 Status Update / Progress

The following status update and progress summarised as follows were presented:-

- a) company overview which consists of:-
 - (i) business activities of the Group namely property, education, cultivation of oil palm and rubber, club management and investment properties.
 - (ii) recent acquisition of Triumph Bliss Sdn Bhd, Primal Milestone Sdn Bhd, Quantum Bonus Sdn Bhd and Forward Esteem Sdn Bhd which was completed on 22 May 2017;
 - (iii) existing landbank located in Selangor and Kuala Lumpur, Kedah, Negeri Sembilan and Johor ; and
 - (iv) corporate milestones since year 2012,
- b) update on property division as follows:-
 - (i) ongoing projects – Astoria at Ampang, Diamond City Plot A and Diamond City Plot B at Semenyih;
 - (ii) projects launching soon – Sena Parc at Senawang and Damanara Seresta at Bandar Sri Damansara (Phase 2 of Damansara Foresta);
 - (iii) future project – Aria Rimba at U10 Shah Alam; and
 - (iv) overseas project – Hidden Valley near Melbourne, Australia,
- c) update on education division as follows:-
 - (i) Sekolah Sri Bestari (private school) and school activities; and
 - (ii) the status of the newly set up Sri Bestari International School, and
- d) status on other businesses as follows:-
 - (i) oil palm and rubber cultivation; and
 - (ii) property investments – Putrajaya office building and Sri Damansara Business Park.

1.2 Financial Highlights

The financial highlights of the Group for the past 5 financial years summarised as follows were presented:-

- (a) summarised financial statement
 - (i) summarised statement of profit or loss from financial year 2013 to 2017 which includes revenue, EBTIDA, EBIT, profit before tax and profit after tax; and
 - (ii) summarised statement of financial position from financial year 2013 to 2017 which includes non-current assets, current assets, total assets, total equity, non-current liabilities, total equity and liabilities, and borrowings;
- (b) key financial ratios from financial year 2013 to 2017 which include after tax return on equity; return (EBIT) on total assets, earnings per share, net assets per share, dividend per share, gearing and working capital ratio;
- (c) comparison of revenue and profit before tax from financial year 2013 to 2017;
- (d) segmental analysis of revenue for property division, education division and other businesses from financial year 2013 to 2017;
- (e) segmental analysis of profit before taxation for property division, education division and other businesses from financial year 2013 to 2017;
- (f) comparison of the total assets and net assets from financial year 2013 to 2017; and

(g) cash and cash equivalents and borrowings from financial year 2013 to 2017.

1.3 Corporate Development

The status of the rights issue and utilization of the proceeds raised from the rights issue were presented.

1.4 Corporate Social Responsibility (“CSR”) Activities

The presentation was concluded with the CSR activities undertaken by the Group in respect of financial year ended 31 March 2017.

The presentation was well received by the shareholders and proxies present.

2.0 Query from Minority Shareholder Watchdog Group (“MSWG”)

L&G’s responses in relation to the queries raised by MSWG were presented, which covered strategic and financial matters and corporate governance matter of the Group as follows:-

- a) take up rate for properties in FY 2017;
- b) unbilled sales as at 31 March 2017;
- c) occupancy rate at 8trium;
- d) occupancy rate at Putrajaya Office Tower;
- e) competitive advantage of the new Sri Bestari International School, compared to other operators in the market;
- f) properties held for sale; and
- g) advisory fee paid to Non-Executive Director.

The presentation was also well received by the shareholders and proxies present.

3.0 QUESTION AND ANSWER (“Q&A”) SESSION

The shareholders and proxies present raised several matters during the Q&A session which are summarised as stated below.

3.1 Sales Status of Properties - Properties sales to-date and the targeted sales for financial year ending 31 March 2018

The number of units sold for Astoria project for the financial year ended 31 March 2017 was 165 units as presented. For the period 1 April 2017 up to to-date, another 118 units were sold. The number of units sold to-date was 283 units with sale and purchase agreements signed. For the financial year ending 31 March 2018, the targeted (cumulative) total units to be sold for Astoria project should reach 350 units.

3.2 Dividend – any further dividend for the financial year ending 31 March 2018 and the possibility of maintaining dividend of RM0.02 for the next 2 years

The special dividend paid in May 2017 of RM0.02 per ordinary share was for financial year ended 31 March 2017. Currently, L&G does not have a dividend policy. This is the 4th consecutive year that L&G paid a RM0.02 dividend. The Board would give due consideration for any future declaration of dividend.

The Board noted that it is the aspiration of all shareholders to receive dividend and it remains the Board’s heavy responsibility when considering declaration of dividend. No one would be able to guarantee any dividend. The declaration of dividend would depend on the performance of the Group, subject to the improvement in the consumer sentiment and the performance of the economy.

- 3.3 Revenue - The anticipated revenue for the financial year ending 31 March 2018 as the revenue for the last 4 financial years ranges from RM200 million to RM400 million

For the previous financial years, the revenue of the past financial year was contributed by ongoing Damansara Foresta project and tail end of the Elements@Ampang project. For the current financial year, the revenue is contributed by Astoria@Ampang which was launched last year and the construction of the Astoria project is in progress as presented. The Group had planned to launch Sena Parc in November 2017 and Damansara Seresta (Phase 2 of Damansara Foresta) in February 2018. These 2 projects would generate revenue moving forward for financial year 2018 and 2019 and the revenue would be progressively improved.

Further to that, the Group had planned to launch the projects under the recently acquired companies which the lands are located at the Mines - Seri Kembangan, Taman Sri Ukay - Ampang and Aria Rimba - Shah Alam Section U10. The necessary approvals are being obtained.

- 3.4 Diversification of Business - reason why L&G Group is not diversifying into construction sector

Property development and construction are two (2) different industries although they are closely related to each other. Construction requires more technical and skilled site workers and it is highly labour intensive, whereas developer requires expertise in sourcing for land with potential and develop the land into products which would be well-received by the market. The Group would continue to focus on property development.

- 3.5 Sri Damansara Club (“SD Club”) Land - plan for developing or redeveloping the land where SD Club is located

Plans had been drawn up for purpose of application of development order to re-develop the SD Club land and discussions were carried out with MBPJ. There are also on-going discussions with the club members.

The proposed re-development of the SD Club land would comprise of serviced apartment and other components. The existing facilities of SD Club would be re-developed and house within the overall integrated development of this land and the existing club members would be able to continue to enjoy the facilities.

- 3.6 Education Division - Capital Expenditure (“capex”) for Sri Bestari International School

The capex for Sri Bestari International School is estimated at RM50 million.

- 3.7 Audited Financial Statements (“AFS”) for the financial year ended (“fye”) 31 March 2017 - the reclassification amounting to RM168.2 million stated in Note 43 to the AFS and the accuracy of the said amount

There was an oversight as certain construction costs were classified as accruals instead of provisions in prior years. As it is more appropriate to classify such accruals as provisions, reclassification of certain construction costs as provisions for costs to complete was made in the AFS fye 31 March 2017 where the comparatives were adjusted, and that the said amount is true and fair.

4.0 VOTING BY WAY OF POLL

Pursuant to Paragraph 8.29A of the Main Market Listing Requirements, any resolution of any general meeting which may properly be moved and is intended to be moved at any general meeting, must be voted by way of poll.

The proposed Ordinary Resolution 1 to 9 and the Special Resolution as set out in the Notice of the 54th AGM dated 31 July 2017 shall be voted by way of poll and that each shareholder shall have one vote for each share.

A poll can be demanded by either:-

- a) Chairman (being a person entitled to vote); or
- b) not less than 2 members present in person or by proxy and entitled to vote; or
- c) a member or members in person or by proxy and representing not less than 1/20 of the total voting rights of all the members having the right to vote at the Meeting.

5.0 TABLING OF AFS FYE 31 MARCH 2017 AND THE REPORTS OF DIRECTORS AND AUDITORS

Item 1 of the agenda and the AFS fye 31 March 2017 and the reports of directors and auditors were laid before the AGM pursuant to Section 340(1) of the Companies Act, 2016. No formal approval of the shareholders was required. It was meant for discussion only and was not put forward for voting.

6.0 CONDUCT OF POLL

After having read and explained the proposed Ordinary Resolution 1 to 9 and the Special Resolution, and after having all the resolutions properly moved and seconded by the shareholders and proxies present, the Chairman, being a person entitled to vote, demanded for a poll to be taken on the proposed Ordinary Resolution 1 to 9 and the Special Resolution pursuant to Article 61(a) of the Company's Articles of Association.

The Company had appointed Symphony Share Registrar Sdn Bhd to act as the poll administrator while Symphony Corporatehouse Sdn Bhd had been appointed as the Independent Scrutineer for the conduct of poll.

7.0 RESOLUTIONS PASSED AT THE 54TH AGM

Ordinary Resolution 1 to 9 and the Special Resolution were duly passed by way of poll at the 54th AGM.

7.1 Ordinary Resolution 1 - Payment of Directors' fees

Vote "For"		Vote "Against"	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,285,902,795	99.9750	321,261	0.0250

7.2 Ordinary Resolution 2 - Payment of Meeting Allowances

Vote "For"		Vote "Against"	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,286,002,495	99.9828	221,561	0.0172

7.3 Ordinary Resolution 3 - Re-election of YM Tengku Maruan Tengku Ariff

Vote "For"		Vote "Against"	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,159,442,255	90.1431	126,781,801	9.8569

7.4 Ordinary Resolution 4 - Re-election of Mr Chiu Andrew Wah Wai

Vote "For"		Vote "Against"	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,191,532,357	92.6380	94,691,699	7.3620

7.5 Ordinary Resolution 5 - Re-election of Mr Chai Keng Wai

Vote "For"		Vote "Against"	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,281,573,655	99.6384	4,650,401	0.3616

7.6 Ordinary Resolution 6 - Re-appointment of Auditors

Vote "For"		Vote "Against"	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,285,903,055	99.9750	321,001	0.0250

7.7 Ordinary Resolution 7 - Authority to allot shares pursuant to Section 75 & 76, Companies Act 2016

Vote "For"		Vote "Against"	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,141,845,275	98.4251	18,271,141	1.5749

7.8 Ordinary Resolution 8 - Continuing in office as Independent Non-Executive Director - Dato' Ir Dr A Bakar Jaafar

Vote "For"		Vote "Against"	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,159,156,155	90.1209	127,067,901	9.8791

7.9 Ordinary Resolution 9 - Continuing in office as Independent Non-Executive Director - Dato' Hj Ikhwan Salim Dato' Hj Sujak

Vote "For"		Vote "Against"	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,159,429,155	90.1430	126,781,801	9.8570

7.10 Special Resolution - Proposed Amendment to Article 95 of the Articles of Association of the Company

Vote "For"		Vote "Against"	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,286,176,055	99.9963	48,001	0.0037

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