

**LAND & GENERAL BERHAD**  
(Company No. 5507-H)  
(Incorporated in Malaysia)

**SUMMARY OF KEY MATTERS DISCUSSED**

**THE FIFTY-FIFTH (55<sup>TH</sup>) 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, 12 SEPTEMBER 2018 AT 10.00 A.M.**

<b>PRESENT</b>	<b>DESIGNATION</b>
DATO' HJ ZAINAL ABIDIN PUTIH	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
DATO' PAHLAWAN MOHD SHUKRI DAHLAN	DIRECTOR
<b>ABSENT WITH APOLOGIES</b>	
MR HOONG CHEONG THARD	DIRECTOR
MR CHIU ANDREW WAH WAI	DIRECTOR
<b>SHAREHOLDERS / PROXIES / CORPORATE REPRESENTATIVE</b>	
AS PER ATTENDANCE LIST	
<b>BY INVITATION</b>	
MR TAN BOON SIONG	CHIEF FINANCIAL OFFICER ("CFO")
MS CHEE YUET SIN	GROUP FINANCIAL CONTROLLER ("GFC")
MR NS LINGAM	MESSRS ERNST & YOUNG ("EY")
OTHERS AS PER ATTENDANCE LIST	
<b>IN ATTENDANCE</b>	
MS LEE SIW YENG	COMPANY SECRETARY

## **1.0 PRESENTATION BY MANAGEMENT**

Management provided a presentation on the progress of the Group for the financial year ended 31 March 2018 and the latest update of the Group.

### **1.1 Status and Progress**

The following status 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) existing landbanks located in Selangor, Kuala Lumpur, Kedah, Negeri Sembilan, Johor and Australia; and
  - (iii) corporate milestones since year 2014,
- b) update on property division as follows:-
  - (i) ongoing projects – Astoria Ampang, Diamond City Plot B at Semenyih, Sena Parc at Senawang and Damansara Seresta;
  - (ii) completed project – Diamond City Plot A at Semenyih;
  - (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) Sri Bestari Private School and its activities;
  - (ii) Sri Bestari International School and its activities; and
  - (iii) the construction progress of Sri Bestari International School, and
- d) status on other businesses as follows:-
  - (i) oil palm and rubber cultivation; and
  - (ii) property investments – Menara L&G, Putrajaya and Sri Damansara Business Park.

### **1.2 Financial Highlights**

The financial highlights of the Group as at 31 March 2018 and for the past 5 financial years as follows were presented:-

- (a) snapshot as at 31 March 2018 which includes total asset, total equity, return on equity, dividend declared, current ratio, gearing, net asset per share, borrowings and cash;
- (b) summarised financial statements
  - (i) summarised statement of profit or loss from financial year 2014 to 2018 which includes revenue, EBITDA, EBIT, profit before tax and profit after tax; and
  - (ii) summarised statement of financial position from financial year 2014 to 2018 which includes non-current assets, current assets, total assets, total equity, non-current liabilities, total equity and liabilities, and borrowings;
- (c) key financial ratios from financial year 2014 to 2018 which includes 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;
- (d) comparison of revenue and profit before tax from financial year 2014 to 2018;
- (e) segmental analysis of revenue for property division, education division and other businesses from financial year 2014 to 2018;
- (f) segmental analysis of profit before tax for property division, education division and other businesses from financial year 2014 to 2018;

- (g) comparison of the total assets and net assets from financial year 2014 to 2018; and
- (h) cash and cash equivalents and borrowings from financial year 2014 to 2018.

### **1.3 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 2018.

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 which covered strategic and financial matters and corporate governance matters of the Group as follows were presented:-

- (a) occupancy rate at 8trium and Menara L&G and the respective rental revenue and measures to increase the occupancy rate;
- (b) projects to be launched worth of RM710 million GDV as reported in the Chairman’s Statement of the 2018 Annual Report and the take-up rate of projects that have been launched;
- (c) the status of enrolment, capacity and the cost of new buildings of Sri Bestari International School;
- (d) take-up rate and GDV of Tower 1 of Damansara Seresta;
- (e) provision for liquidated ascertained damages (“LAD”) for financial year ended (“fye”) 2018 and 2017 and its trend;
- (f) board meeting attendance;
- (g) gender diversity and status of appointment of a female director; and
- (h) material changes in the proposed new Constitution to be adopted.

The presentation was 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. The Q&A are summarised as stated below.

#### **3.1 Audited Financial Statements (“AFS”) for the fye 31 March 2018**

- (a) A query was raised by a shareholder on the increase of an item - “others” under Note 4 to the AFS – Other Income, which had increased from RM0.4 million (fye 31 March 2017) to RM13.0 million (fye 31 March 2018).

The shareholders and proxies present were informed that the increase was due to the writeback of tax penalty provision which was provided in the preceding financial year.

- (b) Queries were raised by a shareholder on the negative cash flows from operating activities amounted to RM28.8 million and cash flows from financing activities amounted to RM284.7 million.

The shareholders and proxies present were informed that the negative cashflow on operating activities was due to the tax carried forward from the previous financial year which were paid during the fye 2018 and that the cash flows from financing activities will be negative if the proceeds from rights issue and dividend paid to shareholders amounted to RM377.8 million and RM58.6 million, respectively, are excluded.

- (c) Queries were raised by a shareholder on the unbilled sales of the Group, target sales of the Group, the inventories under current assets as at 31 March 2018 amounted to RM39.7 million and other receivables under Note 22 amounted to RM143.5 million.

The shareholders and proxies present were informed that the unbilled sales of the Group as at 31 March 2018 stood at approximately RM189.0 million.

The shareholders and proxies present were also informed that inventories as at 31 March 2018 amounted to RM39.7 million consist of:-

- i. Elements at Ampang - RM23.9 million;
- ii. Damansara Foresta - RM7.8 million;
- iii. Sri Damansara Business Park of RM6.9 million; and
- iv. 8trium - RM1.1 million.

The shareholders and proxies present were informed that the other receivables amounted to RM143.5 million was due to the shareholders' advances given to Country Garden Properties (Malaysia) Sdn Bhd ("CGPM") for the initial capital injection of its project which shall be repaid through the cash flow of the development projects of CGPM.

On the sales target, the shareholders and proxies present were that Management was unable to disclose such information.

### **3.2 Sri Bestari International School ("SBIS")**

- (a) A query was raised by a shareholder on the capital expenditure and the capacity of SBIS.

The shareholders and proxies present were informed that the capital expenditure of SBIS was estimated to be approximately RM51.7 million. The capacity of the new facilities of SBIS being constructed, can cater up to 1,250 students and its capacity is expandable in the future.

- (b) A query was raised by a shareholder as to the cost management in relation to the operation of SBIS with limited number of students.

The shareholders and proxies present were informed that SBIS is currently operating in the same premise of Sri Bestari Private School. The education division was extended to have an international arm to cater for the demand for international school. The Board is confident that the students intake for SBIS will improve with the completion of the construction of the new facilities of SBIS for September 2019 intake.

### **3.3 Status of Diamond City Project**

A query was raised by a shareholder as to whether the recent issues faced by Country Garden Holdings Co Ltd (Hong Kong) for its other development projects would affect the development of Diamond City project at Semenyih.

The shareholders and proxies present were informed that Plot A of Diamond City project which comprises of 100 acres development had been completed except for the sales of mansions and villas, while for Plot B of Diamond City project which comprises of 150 acres development, its phase 1 and phase 4 are currently pending the certificate of completion and compliance which were expected to be obtained in the fourth quarter of year 2018 and would be ahead of scheduled completion in April 2019 for handing over of vacant possession.

The shareholders and proxies present were also informed that the recent issues concerning foreign buyers raised in relation to other projects of Country Garden Holdings Co Ltd (Hong Kong) would not affect Diamond City project at Semenyih and that the buyers for Diamond City project consists of both local and foreign buyers.

### **3.4 Investment property – Menara L&G Putrajaya**

- (a) Queries were raised by a shareholder on the low occupancy rate of Menara L&G Putrajaya, when was the building ready for rental and its maintenance costs as well as whether there was any impairment made on the said building.

The shareholders and proxies present were informed that Menara L&G Putrajaya was opened for rental approximately 2 years ago. There have been negotiations with a number of prospects, however, the tenancy could not be concluded due to various reasons.

The shareholders and proxies present were also informed that the “actual” maintenance costs are slightly more than RM1.0 million per annum which consist of quit rent and assessment and chilled water system which is mandatory for office at Putrajaya, if the accounting depreciation of RM1.3 million is excluded.

On the impairment of Menara L&G, the shareholders and proxies present were informed that there was no impairment made on Menara L&G Putrajaya as its market value is above its existing cost fye 31 March 2018.

- (b) A query was raised by a shareholder as to whether there would be any plan to undertake promotional incentive such as 2-year free rental.

The shareholders and proxies present were informed that there were a number of enquiries on the leasing of Menara L&G Putrajaya, renovation free period for 3 months was offered to the prospects. However, no tenancy was concluded. Management would continue its marketing and promotional effort and had been in discussion with agencies to promote the leasing of Menara L&G.

### **3.5 Ladang Kerling, Hulu Selangor**

A query was raised by a shareholder on the future development plan of land measuring approximately 1009 hectare located at Ladang Kerling, Hulu Selangor.

The shareholders and proxies present were informed that Management had submitted the master layout for Ladang Kerling proposed development to local councils. The local councils had requested Management to consider the catalyst that could draw crowd to the proposed township. Various proposals for catalytic factors such as universities, premium outlets or theme parks, logistic hub, etc are being considered.

### **3.6 Future Direction of the Group**

A query was raised by a shareholder on the future direction of the Group as the Group has other business activities such as schools with the recent establishment of the new international school as well as plantation.

The shareholders and proxies were informed that while the core business of the Group is still property development, the private school has been in operation for over 20 years and the international school was recently established to cater for the demand for international syllabus. The entire school compound is approximately 15 acres where it is strategically located, and having an international arm is valued added as no additional land cost is incurred.

Ladang Kerling will be developed into a township in the future. The proposed master layout had been submitted to the local authorities.

The shareholders and proxies present were further informed that the education and plantation have been there historically for more than 20 years and they are not new business activities added to the Group.

### **3.7 Project related queries**

Queries were raised by a shareholder on the reputation management of the Group, operational control on the appointment of contractors as well as the Group's policy and procedures on handling defects of completed projects. The shareholder also commented on the current glut in real estate.

The shareholders and proxies present were informed that for the Group's project, the facilities and layouts would be designed in a practical and functional manner.

In handling defects post handing over of vacant possession ("HOVP"), a top to down approach would be taken as it is critical to attend to complaints and defects as soon as possible. However, it is impossible to have zero defect at HOVP stage.

On the appointment of sub-contractors, the appointment will be screened through by developer and Management have control on the appointments of the sub-contractors while main contractor's scope is confined to the main structural works.

The newly launched Damansara Seresta project comes with 36 months of defect liability period and that some of the bookings in Seresta Damansara are repeat purchasers from Damansara Foresta.

To promote Damansara Seresta, potential buyers would be offered an overnight stay at Damansara Foresta to experience the view, serenity and environment personally.

### **3.8 Others**

- (a) A query was raised by a shareholder on whether the introduction of SST in September 2018 has any impact on the pricing of the properties of the Group.

The shareholders and proxies present were informed that certain building materials for the housing construction are exempted from SST and the Group's properties are competitively priced.

A query was raised by a shareholder on the market capitalisation as stated in the Management Discussion and Analysis where comparison was made for fye 2013 and fye 2018 which indicated that there was an increase of market capitalisation; he was of the view that the comparison should have been made for fye 2018 and fye 2017.

It was clarified that the market capitalisation for fye 2018 was RM565 million while the market capitalisation for fye 2017 was RM325 million, the increase was arising from the rights issue exercise.

- (b) A query was raised by a shareholder on whether the proposed rail line would be connected to Sena Parc project at Senawang.

The shareholders and proxies present were informed that the said rail line is not connected within the vicinity of Sena Parc project at Senawang.

### **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 11 and Special Resolution 1 as set out in the Notice of the 55<sup>th</sup> AGM dated 31 July 2018 shall be voted by way of poll and that each shareholder shall have one vote for each share.

The Chairman further explained that 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 2018 AND THE REPORTS OF DIRECTORS AND AUDITORS**

Item 1 of the agenda and the AFS fye 31 March 2018 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 11 and Special Resolution 1, and after having all the resolutions properly proposed 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 11 and Special Resolution 1 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.

The shareholders and proxyholders present were informed on the procedures for the conduct of electronic polling where the shareholders and proxyholders were requested to scan their bar-coded wristbands at the polling stations and cast their votes accordingly.

## 7.0 **RESOLUTIONS PASSED AT THE 55<sup>TH</sup> AGM**

### 7.1 **Ordinary Resolution 1 - Declaration and payment of final dividend**

**IT WAS RESOLVED:**

“**THAT**, a single tier final dividend of 1.5 sen per ordinary share in respect of financial year ended 31 March 2018, be and are hereby approved.”.

The poll result is as stated below.

Votes “For”		Votes “Against”	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,283,793,468	99.9685	405,000	0.0315

### 7.2 **Ordinary Resolution 2 - Payment of Directors’ Fees**

**IT WAS RESOLVED:**

“**THAT**, the payment of Directors’ Fees of RM515,833.00 for the financial year ended 31 March 2018, be and is hereby approved.”.

The poll result is as stated below.

Votes “For”		Votes “Against”	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,283,278,468	99.9402	768,000	0.0598

*(Note: Shareholders/proxies who held 152,000 ordinary shares had abstained from voting.)*

### 7.3 Ordinary Resolution 3 – Payments of Directors’ Meeting Allowances

**IT WAS RESOLVED:**

“**THAT**, the payments of Directors’ Meeting Allowances to Non-Executive Directors up to an amount of RM119,000.00 for the period commencing from 13 September 2018 until the next AGM of the Company, be and are hereby approved.”.

The poll result is as stated below.

Votes “For”		Votes “Against”	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,283,278,208	99.9402	768,260	0.0598

*(Note: Shareholders/proxies who held 152,000 ordinary shares had abstained from voting.)*

### 7.4 Ordinary Resolution 4 - Re-election of Dato’ Hj Zainal Abidin Putih

**IT WAS RESOLVED:**

“**THAT**, Dato’ Hj Zainal Abidin Putih, the Director retiring in accordance with Article 93 of the Company’s Articles of Association, be and is hereby re-elected as Director of the Company.”.

The poll result is as stated below.

Votes “For”		Votes “Against”	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,282,192,368	99.8554	1,856,100	0.1446

*(Note: Shareholders/proxies who held 150,000 ordinary shares had abstained from voting.)*

### 7.5 Ordinary Resolution 5 - Re-election of Dato’ Hj Ikhwan Salim Dato’ Hj Sujak

**IT WAS RESOLVED:**

“**THAT**, Dato’ Hj Ikhwan Salim Dato’ Hj Sujak, the Director retiring in accordance with Article 93 of the Company’s Articles of Association, be and is hereby re-elected as Director of the Company.”.

The poll result is as stated below.

Votes “For”		Votes “Against”	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,283,123,918	99.9280	924,550	0.0720

*(Note: Shareholders/proxies who held 150,000 ordinary shares had abstained from voting.)*

### 7.6 Ordinary Resolution 6 – Re-election of Mr Low Gay Teck

**IT WAS RESOLVED:**

“**THAT**, Mr Low Gay Teck, the Director retiring in accordance with Article 93 of the Company’s Articles of Association, be and is hereby re-elected as Director of the Company.”.



The poll result is as stated below.

Votes "For"		Votes "Against"	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,282,798,408	99.8910	1,400,060	0.1090

#### 7.7 Ordinary Resolution 7 – Re-election of Dato' Pahlawan Mohd Shukri Dahlan

**IT WAS RESOLVED:**

“THAT, Dato' Pahlawan Mohd Shukri Dahlan, the Director retiring in accordance with Article 98 of the Company's Articles of Association, be and is hereby re-elected as Director of the Company.”.

The poll result is as stated below.

Votes "For"		Votes "Against"	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,283,278,468	99.9402	768,000	0.0598

(Note: Shareholders/proxies who held 152,000 ordinary shares had abstained from voting.)

#### 7.8 Ordinary Resolution 8 – Re-appointment of Messrs Ernst & Young as Auditors

**IT WAS RESOLVED:**

“THAT Messrs Ernst & Young be and are hereby re-appointed as the Auditors of the Company at a remuneration to be fixed by the Directors and to hold office until the conclusion of the next Annual General Meeting.”.

The poll result is as stated below.

Votes "For"		Votes "Against"	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
970,780,468	99.9210	768,000	0.0790

(Note: Shareholders/proxies who held 312,650,000 ordinary shares had abstained from voting.)

#### 7.9 Ordinary Resolution 9 - Authority to allot shares pursuant to Section 75 & 76, Companies Act 2016

**IT WAS RESOLVED:**

“THAT pursuant to Section 75 and 76 of the Companies Act, 2016, the Directors be and are hereby authorised to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares to be allotted and issued does not exceed 10% of the total issued shares of the Company for the time being and that the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad, subject always to the approval of all relevant regulatory bodies being obtained for such issues.”.

The poll result is as stated below.

Votes "For"		Votes "Against"	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,156,703,868	99.8791	1,400,060	0.1209

(Note: Shareholders/proxies who held 126,094,540 ordinary shares had abstained from voting.)

**7.10 Ordinary Resolution 10 - Continuing in office as Independent Non-Executive Director - Dato' Ir Dr A Bakar Jaafar**

**IT WAS RESOLVED:**

“**THAT** authority be and is hereby given to Dato' Ir Dr A Bakar Jaafar who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to serve as an Independent Non-Executive Director of the Company.”.

The poll result is as stated below.

Votes “For”		Votes “Against”	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,155,941,538	90.0232	128,106,930	9.9768

(Note: Shareholders/proxies who held 150,000 ordinary shares had abstained from voting.)

**7.11 Ordinary Resolution 11 - Continuing in office as Independent Non-Executive Director - Dato' Hj Ikhwan Salim Dato' Hj Sujak**

**IT WAS RESOLVED:**

“**THAT** authority be and is hereby given to Dato' Hj Ikhwan Salim Dato' Hj Sujak who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to serve as an Independent Non-Executive Director of the Company.”.

The poll result is as stated below.

Votes “For”		Votes “Against”	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,156,573,338	90.0724	127,475,130	9.9276

(Note: Shareholders/proxies who held 150,000 ordinary shares had abstained from voting.)

**7.12 Special Resolution 1 – Proposed Adoption of the New Constitution of the Company**

**IT WAS RESOLVED:**

“**THAT** the whole of the existing Memorandum and Articles of Association of the Company, be and is hereby amended or altered and in place thereof, the new Constitution of the Company as set out in Appendix I, be and is hereby adopted with immediate effect.

**AND THAT** the Board of Directors be and is hereby authorised to assent to any conditions, modifications and/or amendments as may be required by any relevant authorities, and to do all acts and things and take all such steps as may be considered necessary to give full effect to the new Constitution of the Company.”.

The poll result is as stated below.

Votes “For”		Votes “Against”	
No. of Ordinary Shares	%	No. of Ordinary Shares	%
1,282,974,428	99.9047	1,224,040	0.0953

**--THE END--**