

MALAYSIAN RESOURCES CORPORATION BERHAD
(7994-D)

MINUTES OF THE FORTY-FOURTH ANNUAL GENERAL MEETING of Malaysian Resources Corporation Berhad held at Hotel Istana Kuala Lumpur City Centre, Mahkota Ballroom II, BR Level, 73, Jalan Raja Chulan, 50200 Kuala Lumpur on Monday, 11 May 2015 at 11.00 a.m.

Present:

Directors	YBhg Tan Sri Azlan Mohd Zainol (Chairman)
	YBhg Tan Sri Mohamad Salim Fateh Din (Group Managing Director)
	Encik Mohd Imran Tan Sri Mohamad Salim (Executive Director)
	YBhg Datuk Shahril Ridza Ridzuan
	YBhg Dato' Abdul Rahman Ahmad
	YBhg Dato' Chong Pah Aung
	YBhg Dato' Johari Razak
	Encik Jamaludin Zakaria
	Puan Rohaya Mohammad Yusof
Secretary	Encik Mohd Noor Rahim Yahaya
Auditors	Messrs PricewaterhouseCoopers (represented by YBhg Dato' Mohammad Faiz Azmi)
Shareholders	As per Attendance List
Invitees	As per Attendance List

AGM 1/2015**WELCOME ADDRESS**

The Chairman welcomed all those present to the Forty-fourth Annual General Meeting of the Company.

AGM 2/2015**INTRODUCTION OF DIRECTORS**

The Chairman introduced the Directors present at the meeting.

AGM 3/2015**QUORUM**

After confirmation by the Company Secretary that the quorum was present, the Chairman declared the meeting open.

AGM 4/2015**NOTICE**

The notice convening the meeting was taken as read.

AGM 5/2015**BRIEF ON THE COMPANY'S PERFORMANCE**

The Executive Director briefed the Meeting on the Company's performance for the financial year under review and made a presentation to the shareholders on the following with regards to the operations of the Group:

- **Performance Review**
- **Business Overview – Property**
- **Residential**
 - **On-going Developments**
 - **The Sentral Residences**
 - **9 Seputeh – Parcel C**
 - **Eastern Burwood – Melbourne**
 - **New Launches – 2015**
 - **The Grid, Jalan Kia Peng**
 - **3 Residences, Service Apartment, Kajang**

- **Semarak City, Setapak**
- **Future Developments**
 - **9 Seputeh, Parcel A, B & D**
 - **Lot 349, Service Apartments**
 - **German Embassy land**
 - **Kwasa Sentral**
 - **Tower 1 & 5, PJ Sentral**
- **Commercial**
 - **On-going Developments**
 - **Q Sentral Office Tower**
 - **Celcom Tower - PJ Sentral**
 - **MBSB Tower – PJ Sentral**
 - **MyIPO Tower – PJ Sentral**
 - **Office Tower – Putrajaya**
 - **New Launches - 2015**
 - **Penang Sentral (Phase 1, 2 & 3)**
 - **Future Developments**
 - **Kwasa Sentral**
 - **Tower 1 & 5, PJ Sentral**
- **Transport Oriented Development**
 - **KL Sentral**
 - **Kwasa Sentral**
 - **PJ Sentral, Phase 1**
 - **Penang Sentral**
- **Land Acquisition**

- **Investment Assets**
 - Shell Tower & Ascott Residence
 - Plaza Alam Sentral
 - Sooka Sentral
 - Kompleks Sentral
- **Overview – Engineering, Construction & Environment**
- **Overview of Order Book**
- **Contract Portfolio - 2014**
 - Johor Land Tower
 - Aman Desaru
 - 132kv UGC Damansara City
 - Giant, Kangar
 - UIAM, Kuantan (Substation)
 - Kg Cempaka LILO (OHTL)
 - Giant Setapak
 - PMU Batu Karang
- **Contract Portfolio – 2013**
 - LRT Station 6 & 7
 - Giant Kampar
 - O/H Pantai Seiring, Pulau Besar
 - Tg Bin Line Swapping
 - KL North
 - Kuala Sg Pahang Phase 3

- **Contract Portfolio – 2012**
 - **LRT Extension Ampang Line B**
- **Contract Portfolio – 2011**
 - **LRT Extension Kelana Jaya Line B**
- **Overview – Infrastructure**
 - **Eastern Dispersal Link, Johor**
- **2014 Global Awards**

The Chairman then proceeded with the first item on the Agenda of the Forty-fourth Annual General Meeting.

AGM 6/2015

STATUTORY FINANCIAL STATEMENTS AND REPORTS

The Independent Auditors' Report set out on pages 196 and 197 of the Annual Report 2014 was taken as read by the shareholders.

The Chairman explained that the Statutory Financial Statements of the Company are meant for discussion only as it did not require shareholders' approval under the provisions of Section 169(1) and (3) of the Companies Act, 1965. Hence, it would not be put for voting.

The Chairman invited questions from the shareholders with regards to the operations of the Group for the financial year under review. Following are among the questions raised by the shareholders:

Question:

What is the current order book position of the Engineering & Construction division and what would be the division's focus in the mid-term? How does the Group see prospects of this business in light of the heavy competition?

Answer:

The Group's order book at the end of 2014 was RM1.2 billion, an increase of 70% from 2013's order book of RM0.7 billion. Among the projects secured in 2014 was the construction of the Johor Land Tower and the construction of a resort in Aman Desaru, Johor with a combined contract value of RM338 million. MRCB will look to build its order book by participating in tenders for new projects which are relevant to our operations. MRCB is also improving its margins for construction through cost management initiatives.

Question:

Please brief on the Group's plans to build Quill Capita Trust REIT portfolio in 2015 and the possible dividend per unit (DPU) which the Company has in store for the unit holders and please explain what steps could be taken to maximise the returns of Quill Capita Trust going forward? How does MRCB see the competition of the REIT business segment with other players and what measures could be taken to overcome them?

Answer:

MRCB does not have control over Quill Capita Trust ("QCT") but has a 41% stake in Quill Capita Management, the REIT manager of QCT. We expect the management of the REIT and its Board to continue to improve efficiency and returns, as well as grow the REIT via acquisition of additional assets that will add value to the REIT. The REIT will provide recurring dividend income, which is one of the group's strategies to monetise its existing assets.

MRCB believe the REIT will be competitive as the potential assets to be injected will feature long term tenants and is situated in strategic locations such as integrated transport hubs.

Question:

Could the Board provide explanations on how MRCB can stay ahead in the area of transport oriented development especially when there are other players which are fast coming onstream to grab a share of the market?

Answer:

MRCB is the pioneer of the Transport Oriented Development (TOD) concept, having successfully developed KL Sentral (72 acres), which features 7 train lines running through its KL Sentral station. Similar developments are on-going and envisaged in PJ Sentral (Phase 1- 12 acres), Penang Sentral (23 acres) and Kwasa Sentral (64 acres).

MRCB believe the experience and lessons learnt from KL Sentral is its competitive edge over other developers which will be applied to other TOD's. MRCB is also working closely with the relevant authorities to enhance the national public transportation scheme.

Question:

Please brief shareholders on the progress of Penang Sentral project in terms of the estimated total investment, gross development value and the expected net profit contribution to the MRCB Group?

Answer:

The total investment in Penang Sentral Sdn Bhd as at 31 December 2014 is approximately RM83 million. The Gross Development Value of the entire Penang Sentral is RM2.7 billion and the Group targets a 18-20% margin for its Property projects

Question:

Could the Board enlighten shareholders on the extent of the Group's measures on Green Building and sustainability to position MRCB as a leading property development and construction organisation in line with the Company's mission of being environmental responsible?

Answer:

MRCB has always placed a high level of emphasis for environment friendly and sustainability developments. Recent examples include Platinum Sentral, which won a FIABCI award in 2013 under the Sustainable Category and the Shell Tower & Ascott Residences, which is certified Gold in the Green Building Index ("GBI").

Most of MRCB's developments are GBI and/or LEED ("Leadership in Energy & Environmental Design") compliant. These include PJ Sentral, Penang Sentral, 9-Seputeh, Q-Sentral and the Sentral Residences. MRCB believe in the importance of environment friendly developments not just as a competitive edge but also as an important component in the preservation of the environment.

After the question and answer session on the Accounts and operations of the Company, the Chairman then proceeded with the next item on the Agenda.

AGM 7/2015

RESOLUTION 1: PAYMENT OF FIRST AND FINAL SINGLE TIER DIVIDEND OF 2.5 PERCENT OR 2.5 SEN PER ORDINARY SHARE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

Encik Muniandy A/L Karishnan proposed and Puan Voon Ah Ting seconded the following motion:

“THAT the Payment of First and Final single tier dividend of 2.5% or 2.5 sen per ordinary share for the Financial Year Ended 31 December 2014 be and is hereby approved.”

The Chairman put the motion to vote and it was declared carried.

AGM 8/2015

RESOLUTION 2 : RE-ELECTION OF DIRECTOR PURSUANT TO ARTICLE 106

Encik Siow Fut Loy proposed and Puan Kong Choy Kwai seconded the following motion:-

“THAT Encik Mohd Imran Tan Sri Mohd Salim who retires in accordance with Article 106 of the Articles of Association of the Company, be and is hereby re-elected as a Director of the Company.”

The Chairman put the motion to vote and it was declared carried.

AGM 9/2015

RESOLUTION 3 : RE-ELECTION OF DIRECTORS PURSUANT TO ARTICLES 101 AND 102 IN ONE RESOLUTION

The Chairman proposed that resolutions 4, 5 and 6 on re-election of Directors pursuant to Articles 101 and 102 be considered as one motion.

YBhg Puan Sri Rusila binti Abdul Razak, the Representative of MSWG opposed to the proposal as the resolutions should be voted separately for good corporate governance practices.

YBhg Puan Sri Rusila binti Abdul Razak proposed and Encik Lim Cheng Hoe seconded the following motion:-

“THAT the proposed resolutions 4, 5 and 6 on re-election of Directors pursuant to Articles 101 and 102 of the Articles of Association of the Company be resolved separately.”

The Chairman put the motion to vote and it was declared carried.

AGM 10/2015

RESOLUTION 4: RE-ELECTION OF DATO' CHONG PAH AUNG PURSUANT TO ARTICLES 101 AND 102

Puan Tham Kwai Lin proposed and Puan Koh Siew Cheng seconded the following motion:-

“THAT Dato' Chong Pah Aung who retires in accordance with Articles 101 and 102 of the Articles of Association of the Company, be and is hereby re-elected as a Director of the Company.”

The Chairman put the motion to vote and it was declared carried.

AGM 11/2015 RESOLUTION 5 : RE-ELECTION OF DATO' ABDUL RAHMAN AHMAD PURSUANT TO ARTICLES 101 AND 102

Encik Pang Ah Kau proposed and Cik Kok Sheau Pey seconded the following motion:-

“THAT Dato' Abdul Rahman Ahmad who retires in accordance with Articles 101 and 102 of the Articles of Association of the Company, be and is hereby re-elected as a Director of the Company.”

The Chairman put the motion to vote and it was declared carried.

AGM 12/2015 RESOLUTION 6 : RE-ELECTION OF ENCIK JAMALUDIN ZAKARIA PURSUANT TO ARTICLES 101 AND 102

Puan Theo Seo Moi proposed and Cik Chiew Foong Mooi seconded the following motion:-

“THAT Encik Jamaludin Zakaria who retires in accordance with Articles 101 and 102 of the Articles of Association of the Company, be and is hereby re-elected as a Director of the Company.”

The Chairman put the motion to vote and it was declared carried.

AGM 13/2015 RESOLUTION 7: PAYMENT OF DIRECTORS' FEES

Encik William Voon proposed and Encik Adnan Shamsudin seconded the following motion:

“THAT the payment of Directors' Fees of RM895,205 for the financial year ended 31 December 2014 be and is hereby approved.”

The Chairman put the motion to vote and it was declared carried.

AGM 14/2015 RESOLUTION 8: RE-APPOINTMENT OF AUDITORS

The Chairman proposed and Encik Chong Ken Fang seconded the following motion:

“THAT Messrs. PricewaterhouseCoopers be re-appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting AND THAT the Directors be and are hereby authorised to fix the remuneration of the Auditors.”


The Chairman put the motion to vote and it was declared carried.

AGM 15/2015 ANY OTHER BUSINESS

The Chairman informed that the Company had not received notification of any other business to be transacted at the Annual General Meeting and declared the meeting close.

The meeting ended at 12.50 p.m.

Confirmed as correct records,



CHAIRMAN

Kuala Lumpur

Date: 24 AUG 2015