

JKG LAND BERHAD

(Company No. 154232-K) (Incorporated in Malaysia)

Summary of key matters discussed at the 32nd Annual General Meeting of the Company held at Bukit Kiara Equestrian and Country Resort, Dewan Berjaya, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur, Malaysia on Wednesday, 11 July 2018 at 10.30 a.m.

OPENING

Meeting started at 10.30 a.m. with a welcome address from the Chairman of the Meeting.

AGENDA ITEM 1

AUDITED FINANCIAL STATEMENTS OF THE GROUP AND THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2018 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

The abovementioned item is meant for discussion only, and is not a business which requires a resolution to be put forward for voting by the shareholders.

The Audited Financial Statements of the Group and the Company for the financial year ended 31 January 2018 together with the Reports of the Directors and Auditors thereon, were received and noted by the members and proxies present.

The key questions raised by members/ proxies and the corresponding answers by the Directors and Management of the Company in respect of the aforesaid agenda during the Meeting are as follows:-

Question 1 : On how much revenue was contributed by The ERA project out of the Group's revenue of RM78 million and cash flow management for the said property project that stretched over four phases, amidst the challenging and competitive property market.

Answer 1 : The Board replied that The ERA Phase 1 project was expected to be completed by 2021 and it is currently at preliminary stage of construction. The ERA contributed about RM17.5 million, representing 22% of total sales revenue for the property development segment. The Management acknowledged that the property market was currently slow and would require longer time to realise potential sales. However, some improvements in consumer sentiment were seen after the Malaysia general election in May 2018, coupled with strategic location and value buy of the project, the Company saw that as positive sign for its property development segment.

The Board explained that the Group had always been taking prudent steps in terms of cash flow management. With strong internal management and supported with the requisite financing from the bank, the Management was confident that the Group's business operations commitments would be able to meet its obligations.

Question 2 : On appointment of project contractor from China.

Answer 2 : The Board explained that the appointment of China State Construction Engineering (M) Sdn Bhd ("CSCE") as main contractor for The ERA Phase 1 project was made via a rigorous tender exercise. CSCE being a wholly-owned subsidiary of one of the largest building contractors in China, was selected as it had offered the most competitive price among other tenderers, coupled with its track record of undertaking projects of

similar size, for instance, in Johor, Malaysia. All transactions with CSCE were made according to normal business terms using standard form of contract. The appointment of CSCE as main contractor was only for Phase 1 of The ERA project, and that tender exercise would be called when the next phase of the project begins.

- Question 3 : On the status of development and future development in Kedah,
- Answer 3 : The Board replied that the Northern Region (Kedah) property development projects had constantly registered steady results. The Group had launched 4 property development projects ie. Taman Puteri Phases 2A & 2B - residential houses, Taman Lagenda - shophouses and Kawasan Perindustrian Makmur – small medium industries factories. The Management had conducted studies and surveys of the market condition prior to the launching of the new development projects in view of the current challenging business environment.
- Question 4 : On the Company's share price which was not performing on upwards trend compared with its rights issue pricing and if the Company had achieved its targets set subsequent to the Rights Issue exercise in 2017 and the prospects of the Group's property development segment both in Kedah and Klang Valley that contributed about 90% of the total revenue of the Group.
- Answer 4 : The Board replied that in assessing the value of the Company, share price of the Company should not be viewed as the sole indicator but the overall growth and performance of the Group in the long run. Certain targeted sales value was set for each and every stage of development and the Group had generally achieved the targets as planned. The property development company required longer gestation period of 4 to 5 years to see the results for each of its property development project. In tandem with the Group's strategy and expansion plan, emphasis would be placed on potential property development in the Klang Valley in the long term. The cultivation of oil palm was the secondary business of the Group, while it continues to generate income to the Group, the oil palm plantation land would be converted for the use of property development activities at the suitable time.
- The Board briefed that property development segment in Northern Region which mainly based in Kulim, Kedah and The ERA project of Central Region had respectively contributed almost 70% and 10% of the Group's total profit. The Management is confident that the sales of The ERA would increase in momentum with the marketing and promotional activities of the Group.
- Question 5 : On the prospect of the Group in view of operating in the challenging economic and new political environment.
- Answer 5 : The Board replied that there was always an element of uncertainty in operating any business. Management expected challenges and competition from other industry players in the Klang Valley and the Group had ventured into property development market in central region Malaysia with its maiden project The ERA in Segambut, Klang Valley. The stringent housing loan regulations have to a certain extent affected the property market in general, the market was however looking forward to Bank Negara taking steps to ease the stringent lending policy over time, to

stimulate the property market.

Question 6 : On the Company's gearing level and if the Company has any plan to raise more fund from the shareholders for its working capital requirement.

Answer 6 : The Board explained that the Company's gearing ratio was at 0.32 times for the financial year ended 31 January 2018 by referring to page 14 of the Annual Report of the Company. The Company has no plan to raise additional fund from shareholders in the near future as financing facility secured from the bank would be sufficient for working capital purposes in the short to medium term.

AGENDA ITEM 2
ORDINARY RESOLUTION 1
PAYMENT OF A FIRST AND FINAL DIVIDEND OF 0.1 SEN PER ORDINARY SHARE IN RESPECT OF THE FINANCIAL YEAR ENDED 31 JANUARY 2018

No question was raised by members/ proxies at the Meeting on the abovementioned item.

AGENDA ITEM 3
ORDINARY RESOLUTION 2
PAYMENT OF DIRECTORS' FEES UP TO AN AMOUNT OF RM228,000 TO ALL THE NON-EXECUTIVE DIRECTORS OF THE COMPANY FROM 1 AUGUST 2018 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY

No question was raised by members/ proxies at the Meeting on the abovementioned item.

AGENDA ITEM 4
RE-ELECTION OF DIRECTORS RETIRING IN ACCORDANCE WITH ARTICLE 85 OF THE COMPANY'S ARTICLES OF ASSOCIATION

- **ORDINARY RESOLUTION 3(a)**
 - **RE-ELECTION OF TAN SRI DATO' TAN HUA CHOON**

 - **ORDINARY RESOLUTION 3(b)**
 - **RE-ELECTION OF DATO' IR CHUAH CHIN AH JP**

 - **ORDINARY RESOLUTION 3(c)**
 - **RE-ELECTION OF DATIN TAN CHING CHING**
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No question was raised by members/ proxies at the Meeting on the abovementioned item.

AGENDA ITEM 5
ORDINARY RESOLUTION 4
RE-APPOINTMENT OF KPMG PLT AS AUDITORS OF THE COMPANY

No question was raised by members/ proxies at the Meeting on the abovementioned item.

POLL RESULTS

All ordinary resolutions tabled at the Meeting were carried.