



EKOVEST BERHAD

(Company No. 132493-D)
(Incorporated in Malaysia)

SUMMARY RECORD OF THE PROCEEDINGS OF THE THIRTY-FIRST ANNUAL GENERAL MEETING IN ACCORDANCE WITH PARAGRAPH 9.21(2) OF BURSA MALAYSIA MAIN MARKET LISTING REQUIREMENTS

VENUE: GRAND SEASONS HOTEL, 72 JALAN PAHANG, 53000 KUALA LUMPUR

DATE: WEDNESDAY, 23 NOVEMBER 2016

TIME: 11.30 A.M.

1.0 WELCOMING SPEECH

1.1 The Chairman welcomed all shareholders, proxy holders and invited guests to the Meeting.

2.0 QUORUM OF MEETING

2.1 The Company Secretary confirmed that the required quorum to convene the Meeting in accordance with Article 63 of the Company's Articles of Association was present.

3.0 PROXIES

3.1 The Secretary reported that 483,919,951 shares representing 56.57% of the total shareholding of the Company in proxies have been received.

4.0 NOTICE OF MEETING

4.1 The Secretary reported that the notice of the meeting has been duly and properly dispatched to the shareholders on 31 October 2016. The meeting agreed that the Notice shall be taken as read.

5.0 ADMINISTRATIVE ISSUE

5.1 The Chairman reported that the voting on all the proposed resolutions tabled in this Meeting will be carried out via poll. She added that the Company's Share Registrar, Sctrars Management Sdn Bhd will be the Poll Administrator who will conduct the polling process and the results will be verified by Messrs. IA Essential Sdn Bhd, an Independent Scrutineers. The Chairman explained the polling process to the members.

6.0 QUESTIONS RAISED BY MINORITY SHAREHOLDERS WATCHDOG GROUP ("MSWG") AND OTHERS

6.1 The Chairman called upon Ms. Lim Ts-Fei to read out the questions posed by MSWG together with the answers from the management.

6.2 Several shareholders/proxy holders, including, Puan Sri Rusila Abdul Razak, representative of MSWG, Mr. Tan Yap Seng and Mr. Wan Heng Wah raised various questions and comments in the Meeting, which were duly answered by the Chairman and the Managing Director. The salient comments among others included:

i) On Corporate Governance/Financial

- The attendance of Directors
- To consider the inclusion of Key Senior Management in the Annual Report
- To consider the tenure of the Directors standing for re-election
- Debate on the proposed authority to issue shares pursuant to Section 132D
- To consider a Bonus Issue
- To explain the breakdown on Directors' fee
- To explain the reason for the increase in Investment Properties

ii) On Operation

- To brief on property development relating to approvals, Gross Development Value ("GDV"), timeline and accessibility
- To brief on DUKE Highways including the Setiawangsa-Pantai Expressway ("SPE") relating to the routes, length, connectivity, cost, timeline, tolling system and propose Initial Public Offering ("IPO") of the subsidiary

(The questions posed by MSWG and answers provided are attached in Appendix A)

7.0 AUDITED FINANCIAL STATEMENTS

7.1 The Chairman laid the Audited Financial Statements for the financial year ended 30 June 2016 together with the Reports of the Directors and the Auditors thereon for discussion.

The Chairman explained that the Financial Statements are meant for discussion only and shareholders' approval are not required, hence, the Financial Statements will not be put to vote. The Chairman then invited questions from the floor regarding the Financial Statements.

8.0 RESOLUTIONS 1, 2 AND 3 RE-ELECTION OF DIRECTORS IN ACCORDANCE WITH ARTICLE 82 OF THE COMPANY'S ARTICLES OF ASSOCIATION

8.1 The Chairman reported that the Directors who retire by rotation pursuant to Article 82 of the Company's Articles of Association namely Tan Sri Dato' Lim Kang Hoo, Mr. Lee Wai Kuen and Madam Lim Hoe, being eligible, have offer themselves for re-election under Resolutions 1, 2 and 3 respectively.

Ms. Soo Pei Yin proposed the motion and Ms. Hue Siew Hui seconded the proposal.

9.0 RESOLUTIONS 4 AND 5 RE-APPOINTMENT OF DIRECTORS IN ACCORDANCE WITH SECTION 129(6) OF THE COMPANIES ACT, 1965

- 9.1 The Chairman reported that the third item in the agenda is the appointment of Mr. Khoo Nang Seng @ Khoo Nam Seng and Mr. Chow Yoon Sam, who have both attained the age of seventy years and henceforth retire in accordance with Section 129(6) of the Companies Act, 1965.

Ms. Hor Xin Ying proposed the motion and Mr. Wong Yew Seng seconded the proposal.

**10.0 RESOLUTION 6
PAYMENT OF DIRECTORS' FEES**

- 10.1 The Chairman reported that the fourth item in the agenda is the payment of the Directors' Fees of RM180,000.00 in respect of the financial year ended 30 June 2016.

Ms. Loo Wan Yee proposed the motion and Ms. Hue Siew Hui seconded the proposal.

**11.0 RESOLUTION 7
DECLARATION OF FIRST AND FINAL SINGLE TIER DIVIDEND**

- 11.1 The Chairman reported that the fifth item in the agenda was the proposed payment of a First and Final Single Tier Dividend of 3 sen per share in respect of the financial year ended 30 June 2016.

Mr. Tan Cheng Swee @ Tan Cheng Hor proposed the motion and Mr. Tan Yap Seng seconded the proposal.

**12.0 RESOLUTION 8
RE-APPOINTMENT OF AUDITORS**

- 12.1 The Chairman reported that the sixth item in the agenda is the re-appointment of Messrs. Mazars as Auditors of the Company and to authorise the Directors to fix their remuneration.

Mr. Wong Yew Seng proposed the motion and Mr. Tan Yap Seng seconded the proposal.

**13.0 RESOLUTION 9
CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR**

- 13.1 The Chairman reported that the seventh item in the agenda is on Special Business which is to consider and if thought fit, to pass the following proposed resolutions with or without modifications.

As the first item of the Special Business related to her re-appointment as Independent Non-Executive Director, the Chairman decided to hand over the chair to another director, Mr. Lee Wai Kuen.

Mr. Lee reported that Ms. Kang Hui Ling who has served as an Independent Non-Executive Director for a cumulative term of more than 9 years, has offered herself to continue to act as Independent Non-Executive Directors of the Company. Ms. Kang

declared to the Meeting that she is independent and will leave it to the shareholders to decide on her status.

Raja Afiq Rifaie Bin Raja Azmi proposed the motion and Mr. Ong Chip Hong seconded the proposal.

Mr. Lee handed over the chair to Ms. Kang.

**14.0 RESOLUTION 10
AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE
COMPANIES ACT, 1965**

- 14.1 The Chairman reported that the second item of the Special Business is to seek the shareholders' approval on the proposed authority to issue shares pursuant to Section 132D of the Companies Act, 1965. If passed, it will empower the Directors of the Company to issue and allot shares in the Company upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting.

Ms. Hue Siew Hui proposed the motion and Ms. Loo Wan Yee seconded the proposal.

Before proceeding with the third and last item of the Special Business in the agenda, the Chairman announced that the following interested directors and major shareholders namely; Tan Sri Dato' Lim Kang Hoo, Datuk Seri Lim Keng Cheng, Madam Lim Hoe, Mr. Lim Chen Herng, Mr. Wong Khai Shiang, Mr. Lim Ding Shyong, EkoVest Holdings Sdn Bhd and persons connected with them shall abstain from voting in the following proposed resolution.

**15.0 RESOLUTIONS 11
PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT
RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

- 15.1 The Chairman conveyed that the proposed resolution if passed, will enable the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature as set out in section 2.4 of the Circular to Shareholders dated 31 October 2016 with the related parties listed in section 2.3 which are necessary for the day-to-day operations, in the ordinary course of business, made on an arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company. This authority shall commence immediately upon the passing of this resolution, unless revoked or varied in a general meeting, will expire at the next Annual General Meeting of the Company.

Ms. Soo Pei Yin proposed the motion and Ms. Hor Xin Ying seconded the proposal.

16.0 ANY OTHER BUSINESS

- 16.1 The Secretary informed that he has not received any notice of any other business to be transacted at this meeting.

The Chairman informed the members to cast their votes, fold the voting slip and drop them to the ballot box.

After 10 minutes, the Chairman reminded the members who have not cast their votes to do so and when no member responded, she declared the voting closed and authorized the Poll Administrator and Official Scrutineer to count and verify the votes.

The Chairman invited the members for some refreshment while being briefed by Encik Ahmad Nasir Bin Mohd Said on the overview of the business aspects of the Group. The Managing Director, Datuk Seri Lim Keng Cheng is on hand to answer the questions from the floor.

17.0 ANNOUNCEMENT OF POLL RESULTS

- 17.1 At 12.45 p.m. the Chairman called the meeting to order and instructed Mr. Chong Kian Soon of Messrs. IA Essential Sdn Bhd, the Scrutineer to announce the poll results which is summarized as follows;

Resolutions	FOR		AGAINST	
	No of Shares	%	No of Shares	%
Resolution 1 Re-election of Tan Sri Dato' Lim Kang Hoo	480,779,683	99.97	74,500	0.02
Resolution 2 Re-election of Mr. Lee Wai Kuen	480,851,283	99.99	2,900	0.00
Resolution 3 Re-election of Madam Lim Hoe	480,851,283	99.99	2,900	0.00
Resolution 4 Re-appointment of Mr. Khoo Nang Seng @ Khoo Nam Seng	480,832,283	99.98	21,900	0.00
Resolution 5 Re-appointment of Mr. Chow Yoon Sam	480,851,083	99.99	3,100	0.00
Resolution 6 Approval of the payment of Directors' fees	480,837,283	99.98	16,900	0.00
Resolution 7 Declaration of First and Final Single Tier Dividend	480,851,283	99.99	2,900	0.00
Resolution 8 Re-appointment of Messrs. Mazars as Auditors	480,800,483	99.97	53,700	0.01
Resolution 9 Miss Kang Hui Ling to continue to act as an Independent Non-Executive Director	480,851,283	99.99	2,900	0.00
Resolution 10 Authority pursuant to Section 132D of the Companies Act, 1965	480,849,083	99.98	5,100	0.00
Resolution 11	283,517,885	99.97	2,900	0.00

Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature				
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Based on the poll results announced, the Chairman declared all resolutions tabled at the 31st AGM duly carried. The resolutions passed at this meeting are as follows;

Resolution 1

THAT Tan Sri Dato' Lim Kang Hoo who retires in accordance with Article 82 of the Company's Articles of Association be re-elected as Director of the Company.

Resolution 2

THAT Mr. Lee Wai Kuen who retires in accordance with Article 82 of the Company's Articles of Association be re-elected as Director of the Company.

Resolution 3

THAT Madam Lim Hoe who retires in accordance with Article 82 of the Company's Articles of Association be re-elected as Director of the Company.

Resolution 4

THAT Mr. Khoo Nang Seng @ Khoo Nam Seng who retires in accordance with Section 129(6) of the Companies Act, 1965 be re-appointed as Director of the Company.

Resolution 5

THAT Mr. Chow Yoon Sam who retires in accordance with Section 129(6) of the Companies Act, 1965 be re-appointed as Director of the Company.

Resolution 6

THAT the payment of Directors' Fees of RM180,000.00 in respect of the financial year ended 30 June 2016 be approved.

Resolution 7

THAT the declaration of First and Final Single Tier Dividend of 3 sen per share in respect of the financial year be approved.

Resolution 8

THAT Messrs. Mazars 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 authorized to fix their remuneration of the Auditors.

Resolution 9

THAT the resolution for the appointment of Miss Kang Hui Ling who has served as an Independent Non-Executive Director for a cumulative term of more than 9 years, to continue to act as Independent Non-Executive Director of the Company as stated in the agenda be approved without modification.

Resolution 10

That the resolution relating to the authority pursuant to Section 132D of the Companies Act, 1965 as stated in the agenda be approved without modification.

Resolution 11

THAT the resolution relating to the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature as stated in the agenda be approved without modification.

18.0 CONCLUSION

- 18.1 There being no other business, the Chairman declared the meeting closed at 1.30 p.m.

Mr. Lee Wai Kuen proposed a vote of thanks to the Chair and Dr. Wong Kai Fatt seconded the proposal.

**MINORITY SHAREHOLDERS WATCHDOG GROUP
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No	Query	Response
Strategy/Financials		
1.	<p>Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd (KESTURI), the concession holder of the DUKE Phase 1 and 2 was disposed to the Employees Provident Fund (EPF) for RM1.13 billion. EPF has paid RM921.0 million in cash to the Company and a sum of RM60.0 million upon the completion of DUKE Phase 2 expected in Q1 of 2017 with the remaining RM149.0 million deposited in an interest-bearing scheme (designated account by EkoVest) will be released to the Company when the investment has reached an internal rate of return (IRR) of 11.5%.</p>	
	<p>(a) Amid the total balance of RM209.0 million mentioned above to be released after the issuance of certificate of completion for DUKE Phase 2, (i) at what an interest-bearing rate is the remaining RM149.0 million deposited? (ii) what is the method/basis of computation for the IRR of 11.5% agreed by both the EPF and the Board?</p>	<p>EkoVest negotiated the terms and conditions for the transaction with EPF based on the cash flow projection for Duke Phase 1 and 2, which fundamentally, the agreed valuation of RM1.13 billion is derived based on willing buyer willing seller taking into consideration the discounted cash flow valuation methodology. The RM149 million proceeds to be set aside in the interest bearing designated account is aimed at mitigating the risks of EkoVest meeting the return commitments to EPF.</p> <p>We will address the details of the transaction with EPF in the forthcoming EGM when we tabled this proposal to our shareholders for approval.</p>
	<p>(b) Should there be any unforeseen delay for DUKE Phase 2 completion, what is the Board's contingent plan and is there any penalty or compensation faced by the Company?</p>	<p>Construction of DUKE Phase-2 is currently at approximately 92% completed and targeted for full completion by 1st Half of 2017.</p> <p>We have already increase manpower, machinery, working hours and other resources in order to meet the expected completion date. A new casting yard has also been prepared near the Duke Phase 2 Sri Damansara line to ensure that the delivery lead time for launching is minimal and more efficient traffic management plan.</p> <p>An application for an extension of time (EOT) has been submitted to the Government of Malaysia for their consideration and approval. Nonetheless, as per the Concession Agreement / Supplemental Concession Agreement, liquidated ascertain damages (LAD) of RM10,000 is imposed for every day of delay, in the event the EOT is not granted by the Government.</p>

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No	Query	Response
Strategy/Financials		
2.	Both the Chairman's Statement and the Managing Director's Statement reported the unbilled sales from its property development in EkoCheras project and EkoTitiwangsa project respectively when they announced the commencement of the RM3.9 billion Setiawangsa-Pantai Expressway (formerly known as the DUKE Phase 3) during the year under review.	
	(a) What is the reason for the unbilled sales and what is the total amount involved?	The unbilled sales represent sales and purchase agreement (SPA) already signed with the purchaser and due to accounting treatment, the revenue can only be recognised upon reaching certain physical completion of the project. The total unbilled sales amount to RM576.6 million of which RM490.9 is from the EkoCheras project whilst RM85.7 million is from the EkoTitiwangsa project.
	(b) How material are they impacting the Group's revenue and earnings from the perspective of accounting treatment for revenue recognition?	The unbilled sales will be recognised upon reaching certain physical completion of the project and upon construction completion of the project, all unbilled sales would have been recognised as revenue.
	(c) What are they comprised of e.g. completed physical units of houses, shop lots, or others?	The unbilled sales comprise of service apartments, office suites and hotel units which have been sold but is currently under construction.
	(d) When are the completion dates of these two projects, EkoCheras and EkoTitiwangsa?	EkoCheras is expected to be fully completed by 2018 whilst EkoTitiwangsa is expected to be completed in 2019.
	(e) What are their expected gross development values (GDVs) respectively?	The total GDV for EkoCheras is RM2.11 billion and the total GDV for EkoTitiwangsa is RM610 million.
3.	The Group's wholly-owned subsidiary, EkoRiver Construction Sdn Bhd is currently undertaking the proposed improvement and beautification works dubbed as the River of Life Initiative for the KL River City as an economic growth catalyst to resuscitate the Klang and Gombak river under the	

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No	Query	Response
Strategy/Financials		
	Economic Transformation Programme (ETP) towards complementing an abundant yet sustainable Greater KL.	
	(a) What are the current and future benefits?	<p>The River of Life project (RoL) was launched in 2012 and is a project headed by the Government in collaboration with the private sector to clean up and beautify 10.7km of the river that is divided into 11 precincts and ends at Mid Valley. The ultimate objective of the River of Life project is to transform specific areas within Kuala Lumpur facing the Klang River into a vibrant waterfront with high economic and commercial value. The project is divided into three (3) parts which consist of river cleaning, river beautification and land development.</p> <p>Our KL River City masterplan is located 5km away from the heart of Kuala Lumpur and is focused in Precinct 1 and 2 of the RoL. KL River City aims to revitalise northern Kuala Lumpur into a new destination and turn Gombak River into a heritage and commercial centre. The implementation and development of the KL River City will augur well for our Group as it is expected to contribute to the revenue and earnings of our property development division as and when the individual projects are launched.</p>
	(b) How much would they contribute to the Group's revenue and earnings from the KL river-city project and breathtaking river-city concept comprising EkoGateway, EkoAvenue, EkoTitawangsa and EkoQuay, among others?	<p>EkoRiver Construction Sdn Bhd is currently undertaking 3 construction projects worth RM576.7 million for the proposed improvement and beautification works for the RoL initiative. These construction projects will contribute towards the revenue and earnings for our construction division.</p> <p>The KL River City project comprise of EkoTitawangsa, EkoRiverCenter, EkoGateway, EkoAvenue, and EkoQuay. These are property development projects to be undertaken by Ekovest Group for our landbanks which are located in Precinct 1 and 2 of the River of Life. The development of these lands will contribute to the revenue and earnings for our property development division.</p>

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No	Query	Response																												
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	(c) Over 320 acres of river-fronting land expected to be transformed as one of Klang Valley's most ambitious urban rejuvenation projects.																													
	(i) How much acres of this land belong to the Group and its GDV in terms of property development?; and	<p>The 320 acres of river-fronting land all belongs to the Government.</p> <p>However, the EkoVest Group has 27.24 acres of land located in Precinct 1 and 2 of the RoL project under our KL River City masterplan in which we have a 10 year development plan. Details our landbank are as follows:-</p>																												
	(ii) What are the Board's plans in place for undertaking the exciting phases that form the overall iconic development?	<table border="1"> <thead> <tr> <th>Project @KL River City</th> <th>Type</th> <th>Area (acres)</th> <th>GDV</th> </tr> </thead> <tbody> <tr> <td>EkoTitwangsa</td> <td>Retail shops and serviced apartments</td> <td>2.91</td> <td>RM610 million</td> </tr> <tr> <td>EkoRiverCenter</td> <td>Office/residential/hotel tower and shopping mall</td> <td>6.60</td> <td>RM2.11 billion</td> </tr> <tr> <td>EkoGateway</td> <td>Serviced apartments, residential, shopping mall and hotel</td> <td>14.50</td> <td>RM2.58 billion</td> </tr> <tr> <td>EkoQuay</td> <td>Retail lots, serviced apartments and hotel</td> <td>2.13</td> <td>RM211 million</td> </tr> <tr> <td>EkoAvenue</td> <td>Retail shops and serviced apartments</td> <td>1.10</td> <td>RM160 million</td> </tr> <tr> <td>Total</td> <td></td> <td>27.24</td> <td>RM5.67 billion</td> </tr> </tbody> </table> <p>Phase 1 of the EkoTitwangsa project has been launched and construction have also commenced for the project</p>	Project @KL River City	Type	Area (acres)	GDV	EkoTitwangsa	Retail shops and serviced apartments	2.91	RM610 million	EkoRiverCenter	Office/residential/hotel tower and shopping mall	6.60	RM2.11 billion	EkoGateway	Serviced apartments, residential, shopping mall and hotel	14.50	RM2.58 billion	EkoQuay	Retail lots, serviced apartments and hotel	2.13	RM211 million	EkoAvenue	Retail shops and serviced apartments	1.10	RM160 million	Total		27.24	RM5.67 billion
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