

(Company No. 92647-H)
(Incorporated in Malaysia)

**THIRTY-FOURTH ANNUAL GENERAL MEETING (“AGM”) HELD AT
MAYANG SARI GRAND BALLROOM, LOWER LEVEL 3,
JW MARRIOTT HOTEL KUALA LUMPUR, 183, JALAN BUKIT BINTANG,
55100 KUALA LUMPUR
ON TUESDAY, 12 DECEMBER 2017**

SUMMARY OF PROCEEDINGS AND KEY MATTERS DISCUSSED

WELCOME ADDRESS

Tan Sri Dato’ (Dr) Francis Yeoh Sock Ping, who presided as Chairman for the meeting, welcomed all the attendees to the AGM.

Before proceeding with the AGM, a minute of silence was observed in memory of the founder of YTL group, the late Tan Sri Dato’ Seri (Dr) Yeoh Tiong Lay who passed away in October 2017. On behalf of the Board, the Chairman expressed his gratitude to the shareholders for their continuous support.

QUORUM

There being the requisite quorum, the AGM was called to order at 12.50 p.m.

NOTICE OF MEETING

The notice convening the AGM as set out in the Annual Report was taken as read with the agreement of the shareholders, corporate representatives and proxies present (collectively, “Members”).

ORDINARY BUSINESS

Audited Financial Statements and Reports for the financial year ended 30 June 2017

The Company’s audited financial statements for the financial year ended 30 June 2017 together with the Reports of the Directors and Auditors were tabled for discussion only as they did not require shareholders’ approval pursuant to the provisions of Section 340(1)(a) of the Companies Act, 2016. Hence, this matter was not put for voting.

The Managing Director then invited questions from the Members. The following were the salient issues raised:-

- the progress and strategies in dealing with slow moving inventories such 3-Orchard On The Park, Singapore
- the share performance of the Company
- the external revenue for IT and E-commerce division
- the impact of MFRS to the Company's financial position
- the contribution to the negative goodwill and impairment loss recorded in the current year

The Minority Shareholder Watchdog Group (“MSWG”) raised several queries, which were also set out in its letter to the Company dated 7 December 2017. The questions raised and answers provided by the Managing Director were as follows:-

- 1) Under the Segmental Information on page 274 of the Annual Report, the Hotel Operations Division reported a substantially higher Profit Before Tax (“PBT”) of RM100.5 million in FY 2017, an increase of RM91.3 million from the PBT of RM9.2 million in FY2016.

What was the reason for the higher profit and would the positive trend be expected to continue in FY2018?

Yes, the positive trend is expected to continue in FY2018. The higher profit in FY2017 was due to the Sydney Harbour Marriott, which has just completed its asset enhancement which added 32 rooms, as well as the acquisition of the new portfolio of hotels in the UK.

- 2) The Group had acquired four (4) hotels in UK namely The Glasshouse Hotel, Edinburgh, Threadneedles, London, The Academy, London and Monkey Island Estate.

- (a) What were the occupancy rates of each hotel in FY2017 and the expected occupancy rates in FY2018?

The occupancy levels for the hotels are in the high 80s (in terms of percentage), reaching into the 90s (in terms of percentage), except for the Monkey Island hotel as it was closed during the last financial year for renovations, and we envisage it will re-open in April/May 2018.

- (b) How were the acquisitions of these four hotels financed?

The acquisition of four hotels were financed by bank loans.

- 3) The Group's Cement Division registered a sharp fall in PBT from RM544.8 million in FY2016 to RM220.9 million in FY2017. The reasons were due to lower demand for cement in the construction industry, competitive pricing and higher costs of production.

- (a) What were the reasons for the higher cost of production and what were the measures taken by the Group to manage the higher costs?

The higher cost of production was caused by the increase in raw materials and fuel costs. In order to manage higher costs, we will upgrade the existing plant to improve plant efficiency and increase our utilisation of alternative fuel sources, and we have continued to perform well given the market conditions.

- (b) Is the China cement plant profitable and how significant was its contribution to the Group's revenue and PBT for financial years 2016 and 2017?

The contribution from the China cement plant to the Group's revenue and PBT for financial years 2016 and 2017 was not significant.

- (c) What would be the additional capex required for the investment in emissions-reduction programmes and initiatives to improve plant efficiency and utilisation of alternative fuel sources for the China Cement plant in FY2018?

There are currently no additional capex requirements.

- (d) What is YTL Cement's local market share for financial years 2016 and 2017 and what are the measures taken by YTL Cement to further increase its market share?

YTL Cement's local market share for the 2016 and 2017 financial years remained constant despite a significant amount of new capacity in the industry. Measures to increase market share include widening our product range and improving quality and services.

- 4) YTL REIT has acquired the Majestic Hotel from YTL Corporation for a cash consideration of RM380 million.

- (a) How would YTL REIT finance the purchase?

The purchase consideration was fully funded by borrowings.

- (b) When would the acquisition be completed?

The acquisition was completed on 3 November 2017.

- 5) The Group's Construction Division revenue was mainly derived from the Group's in-house property and constructions projects that are in the final stages of completion.

- (a) What is the outlook for the Division in FY2018 and the amount of outstanding order book to-date?

The outlook for FY2018 is positive and we have an outstanding order book to date of about RM350.0 million. Our construction division is also looking into the rail projects that are in the market.

- (b) Did the Group bid for the new MRT2 and LRT3 infrastructure projects?

We do look into most of the infrastructure projects and decide on a case-by-case basis whether to participate in the bidding process.

- (c) Will the Group consider tendering for the KL-Singapore High Speed Rail projects?

Yes, we are looking into this project.

- 6) The Group had paid an indulgence fee of RM100,000 because YTL Land & Development Bhd had breached a covenant of RM200 million revolving credit facility for failing to maintain a gearing ratio of 2.5 times

- (a) What are the controls put in place to ensure that such incident would not recur?

The breach was mainly due to an accounting adjustment of RM200 million arising from the acquisition of non-controlling interest (30%) in Sentul Raya Sdn. Bhd. (“Sentul Raya”), which reduced the retained earnings.

In terms of controls, there was no such failure of controls. The opportunity arose for YTL Land & Development Berhad to acquire the remaining 30% interest in Sentul Raya and it was in the best interests of the Group and the Company to act on the opportunity. Sentul Raya is now a wholly-owned subsidiary, which enables us to fully control the direction of the Sentul project, which is one of our key residential and commercial developments.

- b) Are there new and more onerous terms imposed on the new credit facility?

No, there were no new or more onerous terms imposed.

With that, the Chairman concluded the question and answer session for agenda 1 and declared that the Audited Financial Statements were duly laid before the Members in accordance with the requirements of the Companies Act, 2016.

No questions were raised on Resolutions 1 to 13 which were duly proposed and seconded by Members and put aside by the Chairman for voting by poll upon completion of the remaining business of the AGM.

The poll results were as follows:-

RESOLUTION 1

- Re-election of Dato’ Yeoh Soo Min who retired pursuant to Article 84 of the Company’s Constitution

Vote in Favour		Vote Against		Results
No. of Shares	%	No. of Shares	%	
7,939,583,926	90.2312	859,572,546	9.7688	Carried

RESOLUTION 2

- Re-election of Dato’ Yeoh Seok Hong who retired pursuant to Article 84 of the Company’s Constitution

Vote in Favour		Vote Against		Results
No. of Shares	%	No. of Shares	%	
7,942,599,862	90.2655	856,556,610	9.7345	Carried

RESOLUTION 3

- Re-election of Syed Abdullah Bin Syed Abd Kadir who retired pursuant to Article 84 of the Company's Constitution

Vote in Favour		Vote Against		Results
No. of Shares	%	No. of Shares	%	
7,939,580,866	90.1373	868,734,902	9.8627	Carried

RESOLUTION 4

- Re-election of Dato' Cheong Keap Tai who retired pursuant to Article 84 of the Company's Constitution

Vote in Favour		Vote Against		Results
No. of Shares	%	No. of Shares	%	
8,101,929,869	91.9805	706,385,899	8.0195	Carried

RESOLUTION 5

- Re-appointment of Eu Peng Meng @ Leslie Eu as Director of the Company

Vote in Favour		Vote Against		Results
No. of Shares	%	No. of Shares	%	
8,101,604,439	91.9768	706,711,329	8.0232	Carried

RESOLUTION 6

- Approval of the payment of Directors' Fees amounting to RM720,000 for the financial year ended 30 June 2017

Vote in Favour		Vote Against		Results
No. of Shares	%	No. of Shares	%	
8,807,976,125	99.9998	17,017	0.0002	Carried

RESOLUTION 7

- Approval of the payment of meeting attendance allowance of RM1,000 per meeting for each Non-Executive Director with effect from February 2017 until otherwise resolved

Vote in Favour		Vote Against		Results
No. of Shares	%	No. of Shares	%	
8,808,230,638	99.9990	85,130	0.0010	Carried

RESOLUTION 8

- Re-appointment of HLB Ler Lum as Auditors of the Company and authorisation for the Directors to fix their remuneration

Vote in Favour		Vote Against		Results
No. of Shares	%	No. of Shares	%	
8,808,254,959	99.9993	60,809	0.0007	Carried

SPECIAL BUSINESS:-**RESOLUTION 9**

- Approval for Dato' Cheong Keap Tai to continue in office as Independent Non-Executive Director

Vote in Favour		Vote Against		Results
No. of Shares	%	No. of Shares	%	
8,101,124,856	91.9903	705,370,864	8.0097	Carried

RESOLUTION 10

- Approval for Eu Peng Meng @ Leslie Eu to continue in office as Independent Non-Executive Director

Vote in Favour		Vote Against		Results
No. of Shares	%	No. of Shares	%	
8,100,799,426	91.9866	705,696,294	8.0134	Carried

RESOLUTION 11

- Authorisation for the Directors to allot shares pursuant to Section 75 of the Companies Act, 2016

Vote in Favour		Vote Against		Results
No. of Shares	%	No. of Shares	%	
8,794,714,354	99.8458	13,581,045	0.1542	Carried

RESOLUTION 12

- Renewal of Share Buy-Back Authority.

Vote in Favour		Vote Against		Results
No. of Shares	%	No. of Shares	%	
8,807,982,761	99.9999	10,381	0.0001	Carried

RESOLUTION 13

- Renewal of Shareholder Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature (“RRPT”) and New Shareholder Mandate for Additional RRPT.

Vote in Favour		Vote Against		Results
No. of Shares	%	No. of Shares	%	
2,984,190,691	99.9990	29,811	0.0010	Carried

CLOSE OF MEETING

As there was no further business to be transacted, the Chairman thanked Members for their attendance and support.

The AGM was declared closed at 2.35 p.m. with a vote of thanks to the Chairman as proposed by a Member.