MALAYSIA AIRPORTS HOLDINGS BERHAD
(Company No. 487092-W)
(Incorporated in Malaysia)

MINUTES OF THE 20TH ANNUAL GENERAL MEETING OF MALAYSIA AIRPORTS HOLDINGS BERHAD ("THE COMPANY" OR "MAHB") HELD AT GATEWAY BALLROOM, LEVEL 1, SAMA-SAMA HOTEL, KL INTERNATIONAL AIRPORT, JALAN CTA 4B, 64000 KLIA, SEPANG, SELANGOR DARUL EHSAN ON THURSDAY, 2 MAY 2019 AT 11.00 A.M.

PRESENT : **Y.BHG. TAN SRI DATUK ZAINUN BINTI ALI**
(Chairman)

Y.BHG. DATUK SITI ZAUYAH BINTI MD DESA

MISS WONG SHU HSIEN

PUAN HAJAH JAMILAH BINTI DATO' HASHIM

Y.BHG. DATUK SERI MICHAEL YAM KONG CHOY

Y.BHG. DATUK ZALEKHA BINTI HASSAN

ENCIK ROSLI BIN ABDULLAH

Y.BHG. DATO' IR. MOHAMAD BIN HUSIN

Y.BHG. DATUK AZAILIZA BINTI MOHD AHAD

MR. RAMANATHAN SATHIAMUTTY

Y.M. RAJA AZMI BIN RAJA NAZUDDIN
(Group Chief Executive Officer)

MEMBERS PRESENT: **AS PER ATTENDANCE LIST**

PROXY HOLDERS: **AS PER ATTENDANCE LIST**

BY INVITATION: **AS PER ATTENDANCE LIST**

IN ATTENDANCE: **PUAN AZNI BINTI ARIFFIN**
(Company Secretary)

CHAIRMAN

Y.Bhg. Tan Sri Datuk Zainun Ali ("YBhg. Tan Sri Chairman") presided as Chairman of the Meeting. YBhg. Tan Sri Chairman welcomed everyone present at the 20th Annual General Meeting ("20th AGM" or "the Meeting") of the Company and proceeded to briefly introduce all members of the Board of Directors, Group Chief Executive Officer and the Secretary of the Company. The Meeting was called to order at 11.00 a.m.

QUORUM

The requisite quorum being present pursuant to Article 85 of the Company's Constitution, YBhg. Tan Sri Chairman declared the Meeting duly convened.

OPENING REMARKS BY CHAIRMAN

YBhg. Tan Sri Chairman summarised the key points of the Chairman's Statement in the Annual Report for the financial year ended 31 December 2018 as follows:-

(i) The Company's Management team had stepped up to deliver another year of encouraging performance. FY2018 was a year of considerable changes and challenges especially on the local economic and political landscape;

(ii) Despite the challenges encountered in FY2018, the Group's solid fundamentals have allowed the Company to forge ahead, exemplifying strength and resilience. Although the passenger movements were lower than the forecast figure, the Company succeeded in achieving its earnings targets for the Group for the year under review. Highlights such as the completion of expansion works at Langkawi International Airport and Istanbul Sabiha Gokcen International Airport in Turkey will allow for a more comfortable and conducive passenger experience thus increasing passenger movements and retail spending;

(iii) The sustainability and stability of the Company's business performance are attributed to the value creation process that has been developed, not only during the year under review but also throughout the preceding years. Given all that we have experienced and shared in FY2018, it has been a journey of progress achieved through technology and innovation, customer centricity service culture, strong core values, and sound business strategies;

(iv) Starting in 2018, Malaysia Airports started to embrace the Lean Six Sigma (Lean) methodology in its operations especially in initiatives that are expected to improve passenger flow through the airports. These have proven effective especially in optimising the operational and service efficiency. The Company has also initiated a commercial reset strategy with its objective of raising the retail profile at the airports. This will be further augmented with the use of technology and e-commerce platforms which will optimise our retail space and generate stronger non-aeronautical revenues;

(v) In December 2018, the Company launched the 'Happy Guests, Caring Hosts' service culture transformation program. This marks a further transition from the existing operational-centric culture, to a customer-centric culture. One major manifestation of this transformation is in making KL International Airport (or "KLIA") a 'Senior Citizen and Family-Friendly' airport.

(vi) Malaysia Airports has several priorities in FY2019, which it views as integral to the Company's growth. They comprise five strategic pillars - becoming a best-in-class hub, delivering world-class service levels, strengthening non-aero business, unlocking potentials through Aeropolis, and expanding and diversifying through international business. Each pillar has its own strategies to contribute to Malaysia Airports' overall growth, progress and sustainability;

(vii) The Company operates in a highly regulated industry where mandatory compliance with numerous aviation regulations are required. The onus is on the Company to constantly seek ways to enhance its service levels and elevate customer experiences. Malaysia Airports will continue to leverage the inherent strengths and opportunities, namely strong airline connectivity and extensive route offerings, as well as providing ample terminal and runway capacity. The Company wishes to inform that via a letter dated 10 April 2019 from the Ministry of Transport, the Government of Malaysia has approved and granted MAHB an extension of the Operating Agreement for an additional thirty-five years from the existing twenty-five years, up to 11 February 2069, giving the rights to MAHB to continue operating, managing and maintaining the existing 39 airports and short take-off landing airports (STOLports) in Malaysia for a total of 60 years from 12 February 2009;

(viii) The new Operating Agreement framework will provide flexibility to the Government and Malaysia Airports in provisioning the airport development projects through the Regulated Asset Base (RAB) or other mechanisms to be agreed with the Government; and

(ix) The approval for the extension of the tenure of the Operating Agreement shows the Government's confidence in Malaysia Airports, as the airport operator, to continue developing the growth of the aviation industry and Malaysia, as a strong aviation hub within the region.

On behalf of the Board, YBhg. Tan Sri Chairman recorded her appreciation to the staff of the Company for their professionalism and dedication during the year under review.

YBhg. Tan Sri Chairman further expressed the Company's sincere appreciation to the various ministries, government agencies, airline partners, retail partners, vendors and all other business partners, as well as the shareholders for being part of a positive FY2018 for the Group.

YBhg. Tan Sri Chairman thereafter called for a presentation by YM Raja Azmi Raja Nazuddin, the Group Chief Executive Officer of MAHB (GCEO), on the Company's Highlights for FY2018 and the Outlook for FY2019.

BRIEFING ON MAHB'S HIGHLIGHTS FOR 2018 AND OUTLOOK FOR 2019

The Meeting was presented with a brief presentation by YM Raja Azmi Raja Nazuddin, the GCEO on MAHB's Highlights for 2018 and Outlook for 2019 which included, amongst others, the following:-

(i) MAHB Today
   (a) More than 25 years serving the nation; and
   (b) Key Highlights.

(ii) KUL Hub
   (a) KLIA – Seamless Connectivity for Full-Service Carriers & Low-Cost Carriers; and
   (b) KUL: 43.6 million international passenger movements in 2018.

(iii) Istanbul Sabiha Gokcen (ISG)
   (a) Key Figures; and
   (b) ISG strategically positioned to handle continued growth.

(iv) KLIA Aeropolis
   (a) KLIA Aeropolis is poised for new growth, attracting high value investments; and

(b) The vision of tomorrow to be realised through Subang Airport Regeneration 2025.

(v) Financial Highlights
(a) Headline Key Performance Indicators (KPI);
(b) Achieving commendable financial growth in FY2018;
(c) Core EBITDA KPI mainly driven by passenger growth and mix;
(d) Diversified revenue stream: Strong non-aeronautical revenue contributions;
(e) Dividend payments are on an upward trend; and
(f) An integrated policy and regulatory framework with cohesive components are required – to finalise OA extension by 2Q19 and RAB by 4Q19.

(vi) Corporate Social Responsibility Initiatives
(a) A community-friendly organisation.

(vii) 2019 Focus Areas
(a) MAHB Strategy House – Focus Areas 2019; and
(b) FY19 Headline KPIs and Outlook.

At this juncture, the GCEO proceeded to present the Company's reply to the Minority Shareholders Watch Group (MSWG)'s queries, which were listed as follows:-

Q1: In the Chairman's Statement (Page 13) it is stated that the Group's higher profit before tax in FY2018 was due to an unrealised gain on the fair value of its investment in GMR Hyderabad International Airport Limited.

(i) Please explain in greater detail and the prospect of the investment in terms of further potential gains going forward.
(ii) On Page 75 of the Financial Statements, there is an item, "unrealised gain on fair value on financial assets at fair value through profit or loss" showing an amount of RM258,399,000. Is it the same item as unrealised gain on the fair value of its investment in GMR Hyderabad International Airport Limited? If not, please explain.

Q2: As reported on Page 47 of the Annual Report, the Group is in the process of negotiating a cost-based airport aeronautical charges-setting framework, known as the RAB framework.

The RAB framework represents a departure from the present Operating Agreement (OA) in which Malaysia Airports plays the role of an airport operator and the Malaysian Government makes both the call on and funds the expenses of any development capital expenditure (capex) incurred by the airports.

(i) Please explain in simpler terms how RAB would be more superior than OA in terms of profitability and sustainability?
(ii) On the same page, the Group states that it is striving to increase its non-aeronautical revenue through the implementation of the Commercial Reset Strategy to unlock further growth opportunities in pursuit of diversifying its sources of revenue. Please elaborate on the Commercial Reset Strategy and how it will achieve the desired results.

Q3: On pages 83 and 84 (Management Discussion & Analysis), it is reported that in 2018, the Group welcomed in a total of 9 new airlines. This is a healthy development as it helps to increase passenger growth.

What measures have been taken to further attract more airlines and what is the outlook going forward?

Q4: On Page 87 of the Annual Report 2018, it is reported that good effort has been put to increase cargo capacity at Kuala Lumpur International Airport (KUL) to accommodate new demand in years to come. Together with KLIA Aeropolis Digital Free Trade Zone Park, a joint venture with Cainiao Smart Logistics Network that is currently being developed, the Group expects to almost double the cargo volume throughput at KUL from 0.7 million metric tonnes to 1.3 million metric tonnes.

(i) What would be the expected increased cargo capacity by end of FY2019 compared to the existing capacity?
(ii) By when would the cargo volume throughput at KUL be anticipated to increase from 0.7 million metric tonnes to 1.3 million metric tonnes?

Q5: We note from Page 99 of the Annual Report 2018 that in FY2018, revenue from project and repair maintenance operations segment rose by 4.5% to RM162.2 million (FY2017: RM155.2 million) with Qatar operations representing about 90% of the revenue stream. Qatar operations registered a revenue of RM149.1 million (FY2017: RM137.6 million), growing by 8.4%. Meanwhile, revenue from the Malaysia operations declined by 26.0% to RM13.1 million (FY2017: RM17.7 million).

(i) Why did revenue from Malaysia operations decline and why does it form only a small portion of the segment revenue?
(ii) Are there plans and measures to be taken to increase this revenue significantly?

Q6: As reported on Page 119 of the Annual Report 2018, revenue from the rental of space, advertising and other commercial segments grew 5.9% to RM1,259.2 million, contributed by higher occupancy rate and higher average rental resulting from increased rental space at KLIA Main.

(i) What was the occupancy rate and rental space size in FY2018 compared to the rate and space size in FY2017?
(ii) What percentage of rental space would be up for revision in FY2019 and would there be further increase in rental space?

Q7: On Page 113 (Note 21) of the Financial Statements 2018, the ageing analysis of the Group's total trade receivables shows that all categories of past due trade receivables (and even receivables aged over 121 days) and not impaired have increased significantly. Total past due increased to RM178.1 million in FY2018 from RM69.5 million in FY2017.

(i) Are there any concerns that a substantial amount of the overdue trade receivables may need to be impaired and may not recoverable?
(ii) What measures have been taken to recover the overdue amounts and to reduce substantially the total overdue amount?

Q8: We refer to the Group's contingent liabilities which are stated on Pages 150 to 153 of the Financial Statements 2018. Among these, there is one case, where on 26 February 2016, Malaysia Airports (Properties) Sdn. Bhd. (MAP) received a Notice of Arbitration from KL Aviation Fuelling System Sdn. Bhd. (KAF) in respect of alleged losses and damages in the estimated claim amount of RM456,000,000 pertaining, to inter alia, the changes of the concession period under the Airport Facilities Agreement dated 26 September 2007. KAF has agreed with MAP's request to withhold the commencement of the arbitration proceeding against MAP until 31 December 2019 to facilitate the negotiation on the OA between Malaysia Airports and Government.

What is the specific nature of the claim and what would the negotiation entail?

Q9: Subsequent Events after the Reporting Date-

As stated on Page 157 of the Financial Statements 2018, Malaysia Airports (Sepang) Sdn. Bhd. [MA (Sepang)], a wholly owned subsidiary of the Company, has been served by the solicitors of AirAsia Berhad (AAB) and AirAsia X Berhad (AAX) with a copy of its letter dated 31 January 2019 (the Letter). The Letter alleges, amongst others, AAX and AAB have suffered losses and damages amounting to RM479,781,000.

Please enlighten on the latest development?

Q10: Under Practice 3.1 of the Malaysian Code on Corporate Governance 2017 (MCCG 2017), it is stipulated that the board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Guidance notes of MCCG 2017, further state that the Code of Conduct and Ethics should articulate acceptable practices and guide the behaviour of directors, management and employees.

However, in the Company's Corporate Governance Report, it is stated that the Company's Code of Conduct and Ethics applies to all the Company's Employees and representatives including agents, consultants, contractors and suppliers for the Company while the business code of conduct for the Board is subject to the statutory duties of directors under various legislative enactments, and as stipulated under the Companies Act 2016 (CA 2016), Main Market Listing Requirements of Bursa Malaysia Securities Berhad (MMLR) and Securities Commission Act 1993 (SCA 1993).

The Company does not apply Practice 3.1 as the Code of Conduct and Ethics must apply to both employees as well as directors. Construing the business code of conduct and ethics of the Board as that of the statutory duties of directors under various legislative enactments is not the intended outcome as a Code is expected to be more granular and goes beyond laws, rules and regulations.

Please explain the measures to be taken to adopt the said Practice and the timeframe for adoption.

Q11: In the Corporate Governance Report, the Company stated that as per its Board Charter, it has adopted Practice 4.3 - Step Up of MCCG 2017 which stipulates that the board has a policy which limits the tenure of its independent directors to nine years and added that none of the Independent Non-Executive Directors (INEDs) has served for more than nine (9) years as at 31 December 2018.

However, we are not able to find any clause in the Board Charter to expressly state that after the tenure of nine (9) years, an independent director has to retire or be re-designated to a non-independent non-executive director. Please explain.

Q12: The Company states that it has adopted Practice 4.5 which stipulates that the board discloses in its annual report the Company's policies on gender diversity, its targets and measures to meet those targets. For Large Companies, the board must have at least 30% of women directors.

Although the number of women directors has exceeded 30%, there is no disclosure in the annual report, the Company's policies on gender diversity, its targets and measures to meet those targets. Please explain.

The GCEO responded to MSWG's questions as follows:-

A1: (i) During FY2018, the Group implemented Malaysian Financial Reporting Standards (MFRS) 9: Financial Instruments, leading to a change in classification and measurement of certain equity instruments. This includes the classification of the Group's 11% investment in GMR Hyderabad International Airport Limited (GHIAL), which is now classified as financial assets at fair value through profit or loss under MFRS 9.

The Group's carrying amount in GHIAL was measured at its fair valuation based on an offer to acquire the 11% stake by GMR Airports Limited (Proposed Disposal), resulting in an unrealised gain on fair valuation of RM258.4 million recognised during the year and higher profit after tax for the Group in FY2018. As disclosed in Note 19 of the financial statements (Page 104), the Proposed Disposal was terminated on 2 January 2019 due to the failure of GMR Airports Limited to complete their obligation in accordance with the terms of the Proposed Disposal by 31 December 2018.

On 4 January 2019, GMR Infrastructure Limited, the holding company of GMR Airports Limited, had announced to the National Stock Exchange of India Limited that discussions are underway to enter into an updated agreement on this Proposed Disposal. Accordingly, both Malaysia Airports and GMR Airports Limited are currently in discussion on the potential resumption of the Proposed Disposal, Malaysia Airports hopes to conclude the Proposed Disposal in due course.

(ii) The "unrealised gain on fair value on financial assets at fair value through profit or loss" is in respect of the same item mentioned in (a) above.

A2: (i) The RAB approach provides a direct correlation between capital invested by Malaysia Airports and the level of aeronautical charges set by the MAVCOM. Under the Operating Agreement, the aeronautical charges were set based on a pre-agreed formula as the development capital expenditure was the primary responsibility of the Government. The benefits of the RAB implementation to Malaysia Airports includes:-

(a) Improving transparency and reliability – airport charges will be linked to the level of costs incurred in developing and managing airports, further supporting capacity expansion and uplift in service levels.
(b) Regulatory stability – stable and transparent regulatory framework will help increase investors' confidence in Malaysia Airports.
(c) Fair return to airport operator – Malaysia Airports can outperform negotiated return on RAB through optimising capital structure.
(d) Drive operational efficiencies – Malaysia Airports keeps the value of operating expenditure efficiencies delivered over and above the business plan approved by MAVCOM.

(ii) The Commercial Reset Strategy entails the re-alignment of product categories to allow the introduction of new brands across our airports' retail space. Space optimisation is a part of this process, and a vital part to achieve a more efficient retail allocation and an improved occupancy rate. The Commercial Reset Strategy ultimately aims to raise the retail profile of the Group's international airports through the pillars below:-

(a) Enhanced retail mix and increasing composition of high yield product categories.
(b) Improved brand positioning with more new brands to be introduced.
(c) Improved real estate value through better passenger flow and placement of the right products.
(d) Enhanced lease strategy through attractive packages that maximise space and sales potential (Examples include: master concession and tenancy package deals).

By implementing the Commercial Reset Strategy, Malaysia Airports aspires to achieve the following:-

(a) Ensuring that our airports remain relevant and competitive with its peer airports in the region.
(b) The reformatted retail mix shall provide long term sustainability in non-aeronautical revenue.
(c) Grow with business partners through the right leasing format.

A3: Some of the measures implemented by Malaysia Airports to attract more airlines and introduce new routes and frequencies include:-

(i) Continuous promotion of the Aviation Development and Support Programme which comprised of the enhanced Airline Incentive Programme (AIP) III, Joint International Tourism Development Programme (JITDP), Special Incentive Programmes for Langkawi, Melaka and Labuan and the recently announced Langkawi International Tourism Promotional Fund (LITPF).
(ii) Strategic partnership and cooperation with State Tourism bodies and industry stakeholders including Tourism Malaysia to stimulate demand.
(iii) Active and continuous participation in various aviation network events such as Airline Networking, Routes Asia, World Routes and Travel Trade Marts including World Travel Mart and ITB Berlin.

(iv) Strategic airline meetings and missions based on identified markets.

For FY2019, the Group expects to attract more foreign airlines to operate into Malaysia, focusing primarily on carriers from the China, India and ASEAN markets. At the same time, Malaysia Airports is also looking at attracting more European airlines and establishing more connections to and from the Middle East.

A4: (i) We have projected overall flat growth in cargo volumes for FY2019 due to global trade tensions. Nevertheless, we view the lacklustre growth for global air cargo to be temporary.

(ii) Our forecast for Cargo volume throughput at KUL to reach 1.3 million metric tonnes by 2027, that is within 7 years from the opening of Cainiao KLIA Aeropolis Sdn. Bhd. (the Group's joint venture with Cainiao Smart Logistic Network).

A5: (i) Revenue from the Malaysia project and repair maintenance operations declined by 26% to RM13.1 million as a result of lesser external projects secured during the year as the Malaysia operations segment is currently focusing on internal facility management projects with companies within the Group. This is reflected in the improvement in service levels and the Airport Service Quality score for KLIA during the year.

Due to regulatory requirements in Qatar, MACS Middle East LLC (Qatar operations) was incorporated when the Group was awarded several project repair and maintenance contracts to undertake activities in areas of facilities maintenance services at Hamad International Airport, Doha. As the projects secured under the Qatar operations increased over the last four (4) years, the Group's project repair and maintenance segment contributions from Malaysia has correspondingly contributed lower revenues as a percentage, over time.

(ii) Currently, the Group's strategy for the Malaysia project and repair maintenance segment is to focus more on uplifting service levels under the Quality of Service framework, thereby leveraging from the core strength on facility management within the operating segment.

Nevertheless, the Group is continuously pursuing new and sustainable opportunities in this operating segment, targeting new facility management and project consultancy contracts with reputable corporations as strategic business partners.

The Group is also focused on extending and securing new contracts to existing projects such as the Hamad International Airport as evident in the table below:-

Project and Repair Maintenance Segment Revenue (RM Million)	FY2014	FY2015	FY2016	FY2017	FY2018
Malaysia External	19.1	20.4	18.1	17.7	13.1
Overseas External	42.8	115.5	114.7	137.6	149.1
Total External Revenue	**61.9**	**135.9**	**132.8**	**155.3**	**162.2**
Malaysia Inter-segment	48.3	58.8	64.7	71.2	78.0
Total Segment Revenue	**110.2**	**194.7**	**197.5**	**226.5**	**240.2**

A6: (i) The occupancy rate and lettable retail and food & beverages (F&B) space size in FY2018 *vis-à-vis* FY2017 for KLIA Main and klia2 are as follows:-

	FY2017	FY2018
Total Lettable Retail and F&B Space Size (sqm)	**50,807**	**50,758**
KLIA Main	23,013	22,965
klia2	27,793	27,793
Occupancy Rate	**82.2%**	**78.8%**
KLIA Main	94.6%	84.7%
klia2	71.9%	74.0%

Occupancy rates at the other international airports in Malaysia range between 80% to 97%.

(ii) For KLIA Main, the percentage of retail and F&B space that would be up for revision in FY2019 is between 40% - 50%, while for klia2, it will be between 10% - 20%.

There would be no further increase in rental space at KLIA Main in FY2019, as Malaysia Airports is revamping its retail mix by changing its product category and format at different locations during the commercial reset implementation and re-tendering process.

Existing and potential tenants bidding for commercial space at KLIA Main – Main Terminal Building shall be subject to a new rate proposed by tenants based on tender submission. All current tenants at KLIA Main – Contact Pier will be extended on a month to month basis until the end of 2019 while preparing for re-tender exercise in June 2019.

Majority of the tenants in klia2 will be extended on a 6+6 months basis starting May 2019 until 2020 with an annual rental escalation of 5%.

A7: (i) The Group has made sufficient provision for doubtful debts on trade receivables balances as per the impairment assessment conducted in accordance with MFRS 9 Financial Instrument effective 1 January 2018. The adoption of MFRS 9 has fundamentally changed the Group's accounting for impairment losses for financial assets with a forward-looking expected credit loss approach replacing Financial Reporting Standard 139 (FRS 139) Financial Instrument incurred loss approach.

The impaired balance and subsequent allowance for doubtful debt do not equal to non-recovery. The Group continues to engage with its debtors to recover the impaired amounts. The recovery of the impaired amounts by way of legal demand is done as a last resort.

Overall, the Group had managed to improve collections during the year as evident by a decrease in total receivables by 7.5% to RM612.2 million in FY2018, despite the increase in the Group's revenue by 4.3% to RM4,851.7 million. The Group had also managed to improve the average trade debtor days of its Malaysia operations to 34 days in 2018 (2017: 39 days; 2016: 56 days).

With regard to the RM178.1 million of trade receivables past due not impaired in FY2018, approximately RM102.6 million, representing 57.6%, has been subsequently collected as at 15 April 2019. A further amount of RM38.2 million was also provided for under doubtful debts in respect of short payment of Passenger Service Charge (PSC) from two (2) aeronautical customers, where both aeronautical customers have only made a partial payment for the PSC of Non-ASEAN international passengers departing from klia2.

(ii) The Group continuously monitors these overdue balances and executes the necessary debt collection action to recover the amount in accordance with Group policy and Standard Operating Procedures including issuing internal and external reminders and letters of demand. Additional measures taken to recover the overdue amounts include:-

(a) Resolving any late payments or disputes balances through the agreed repayment plan with debtors.
(b) Impose Security Deposit compliance on all commercial contracts.
(c) Court litigation action.

A8: KAF estimated claim amount of RM456.0 million is for alleged losses and damages arising from the reduction of the concession period from 50 years to 25 years in 2009, consequent to the change of the operating period granted to Malaysia Airports and MA (Sepang) for KUL by the Government. For the avoidance of doubt, KAF has stated that they have not performed a comprehensive evaluation of the quantum of the estimated losses and damages.

As this arbitration is in connection to the operating period and simultaneously, Malaysia Airports and the Government have been in talks on the extension of the OA, the outcome of negotiations and decision by the Government on the operating period will have an impact to this arbitration.

A9: On 4 February 2019, Malaysia Airports responded to letters dated 31 January 2019 by both AAB and AAX, denying all allegations made therein. The Letter does not tantamount a claim via the courts.

Subsequently, AAB and AAX wrote to MAVCOM on 18 February 2019, stating among others, that there is a dispute between the parties and that pursuant to the provisions in the MAVCOM Act, MAVCOM is the rightful forum to hear the dispute. On 28 February 2019, MAVCOM responded that it is not in the position to decide on the dispute pending the court's decision on other related legal suits.

Malaysia Airports' lawyers further wrote to MAVCOM on 6 March 2019, stating that MAVCOM has no jurisdiction over the dispute. Despite MAVCOM having stated its position in their letter dated 28 February 2019, AAB and AAX further attempted to get MAVCOM to decide vide their letter of 14 March 2019 of which our lawyers responded on 21 March 2019 reiterating our position.

As at 2 May 2019, there has been no further development on this matter to-date.

A10: The Board established a Code of Conduct and Ethics for the Group, and together with management, implements its policies and procedures, which includes managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

Clause 1.0 of Code of Ethics and Conduct provides that the business code of conduct for the Board of Directors is subject to the statutory duties of directors under various legislative enactments, and as stipulated under CA 2016, the MMLR and SCA 1993.

The Board Charter had also adopted the Code of Ethics as provided under Clause 6 – Director's Code of Ethics, of the Board Charter which stipulates:-

"The Code serves as a source of guiding principles for directors of Malaysia Airports. The Code summarises the Board's fiduciary duties to the Company, provides guidance to directors to deal with ethical issues and helps to foster the spirit of social responsibility and accountability in line with the legislation, rules and regulations governing the Company."

The Code of Ethics will be amended in 2019 to include a specific provision on directors in addition to the current provision which adopt those stipulated under the CA 2016, MMLR and SCA 1993.

A11: The Group's Composition and Board Balance under the Board Charter has a clause that stipulates:-

<u>Clause 3.4.3</u>

"At any one time, at least two (2) or one-third (1/3), whichever is higher, of the Board members shall be INED. The tenure of an INED shall not exceed a cumulative term of nine (9) years or an age of 75 years old, whichever is earlier".

As such, no INEDs are allowed to serve on the Board after he or she has served as an Independent Director exceeding a cumulative term of nine (9) years.

A12: Under the Corporate Governance Overview Statement on Page 175 of the Annual Report 2018, particularly on the Balance, Diversity and Skills of the Board members, the following was highlighted:-

"Malaysia Airports has always been supportive of the MCCG 2017's recommendation that Large Companies must have at least 30% of women directors. Therefore, the Board had achieved a representation of four (4) women directors by October 2018 which makes more than 30% of the Board composition. A Board Gender Diversity Policy has also been established. It is provided that the Board will maintain at least three (3) women Directors on the Board at all times and will work towards achieving and maintaining the minimum of 30% women as members of the Board by the year 2020, which shall thereafter be the minimum composition of women representation on the Board."

To-date, Malaysia Airports' board composition comprise six (6) women directors which makes up 60% of the total board composition. As at 31 December 2018, the board composition of women directors has achieved 40%, hence exceeding Malaysia's national agenda of achieving at least 30% female representation on the boards of listed companies by 2020.

NOTICE

YBhg. Tan Sri Chairman proceeded to inform that the Notice convening the Meeting dated 3 April 2019, having been circulated to all shareholders together with the Annual Report 2018 for the financial year ended 31 December 2018 within the prescribed period, and since there had been no objection from the shareholders, was taken as read.

ADMINISTRATIVE DETAILS

YBhg. Tan Sri Chairman requested that the shareholders who wished to ask questions to take the following steps: -

(i) Introduce himself/herself and provide the full name;
(ii) State if he/she is a shareholder or a proxy, and if a proxy, the identity of the shareholder of which he/she is a proxy of; and
(iii) If he/she is a Corporate Representative, the name of the Corporate or Institutional Shareholder that he/she represents.

YBhg. Tan Sri Chairman then briefed on the procedure for the Meeting whereby each motion requires only a proposer from the floor and subsequently to vote on each of the resolution tabled. There is no legal requirement for the proposed resolution to be seconded before it can be moved for voting.

The Meeting noted that eleven (11) resolutions comprising ten (10) Ordinary Resolutions and one (1) Special Resolution to be put to vote.

The Meeting was reminded that only members or proxies appointed by members or corporate representatives may vote on each of the resolution.

YBhg. Tan Sri Chairman informed that pursuant to the MMLR and Article 92 of the Constitution of the Company, all resolutions set out in the Notice of the Meeting should be voted by poll. In order to expedite the polling process, the Company is using an electronic polling system to expedite verification and counting of votes. Each shareholder or proxy or corporate representative will be provided with the e-voting device to cast his/her vote. The polling process would be conducted after the deliberation of each of the resolution by the share registrar, Securities Services (Holdings) Sdn. Bhd. as the poll administrator and Commercial Quest Sdn. Bhd. as the independent scrutineer to validate the votes cast at the Meeting.

1.0 TO RECEIVE THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 TOGETHER WITH THE DIRECTORS AND AUDITORS REPORTS THEREON

YBhg. Tan Sri Chairman informed that the first item on the Agenda was to receive the Audited Financial Statements of the Company for the financial year ended 31 December 2018 together with the Directors and Auditors Reports thereon. YBhg. Tan Sri Chairman explained that the Audited Financial Statements of the Company for the financial year ended 31 December 2018 together with the Directors and Auditors Reports thereon were meant for discussion only, as it did not require shareholders' approval as provided by Section 244(2)(a) of the Companies Act 2016. As such, it would not be put forward for voting.

YBhg. Tan Sri Chairman then invited the floor for comments or questions in respect of the Audited Financial Statements of the Company for the financial year ended 31 December 2018 together with the Directors and Auditors Reports thereon.

The Meeting was informed that Encik Ahmad Qadri Jahubar Sathik, the audit partner in charge from Messrs. Ernst & Young was present in the Meeting should there be any question relating to the conduct of the audit, preparation and content of the audit report as well as key audit matters.

At this juncture, Mr. Stephen Lye Tuck Meng, a shareholder, commented on the following:-

(i) Delay in replenishing the refreshment and lack of warmth in receiving the shareholders.
(ii) The Company should consider introducing packed food instead of buffet servings in order to allow equal distribution of food to all shareholders.
(iii) The Company should consider establishing a unit to manage matters pertaining to the complaints raised by the shareholders during the Meeting, instead of the Directors handling such matters.
(iv) Mr. Stephen Lye Tuck Meng respectfully requested to meet the Company Secretary after the conclusion of the Meeting.

YBhg. Tan Sri Chairman thanked Mr. Stephen Lye Tuck Meng for his comments and informed that lunch would be available to the shareholders after the conclusion of the Meeting should anyone missed the breakfast.

On behalf of the Company, YBhg. Tan Sri Chairman apologised for the shortcomings. The Company had tried its best to provide satisfactory service to the shareholders and would ensure better management of the Meeting in the future. The Company Secretary would be available to meet Mr. Stephen Lye Tuck Meng after the conclusion of the Meeting.

Mr. Choo Mun Tuck, a shareholder, complimented the team involved in producing a good annual report. He also welcomed the Company's effort to embark on a transformation program to move the Company towards customer-centric culture.

He, then, put forward questions in relation to the following:-

Q1: In reference to the Chairman's Statement on page 13 of the Annual Report 2018 pertaining to 43% of the Company's equity stake being held by the foreign investors including super annuity funds, whether there is a limit imposed on foreign shareholdings in order to constrain foreigners from controlling the Company?

Q2: With regard to the Company's effort of having a majority female representation sitting on the Board of the Company, could the Company replicate the same in increasing women participation in the Company's senior and middle management?

Q3: It is worth to highlight that the KLIA Aerotrain requires improvement as it is an ageing system. KLIA Aerotrain breakdowns have been occasionally reported in the media of which this tarnished the reputation of the Company. In addition, another area identified for improvement is the Baggage Handling System (BHS). The improvement would reduce the waiting time of the inbound passengers in reclaiming their baggage.

Q4: Reference is made to page 43 of the Annual Report 2018 in relation to six of the employees of the Company who were investigated by the Malaysian Anti-Corruption Commission (MACC) for allegedly accepting bribes. Could the Company provide updates on the recent development of the case?

Q5: In the matter of relationship with stakeholders, it is desirable to see that the relationship between the Company and AirAsia improves as both companies are interdependent on each other.

YBhg. Tan Sri Chairman thanked Mr. Choo Mun Tuck for the recognition given to the Company with regard to the production of the Annual Report 2018, which was mainly prepared by the Corporate Communication Division of MAHB, led by its General Manager, Puan Nik Anis Nik Zakaria.

Thereafter, YBhg. Tan Sri Chairman responded to Mr. Choo Mun Tuck's questions as follows: -

A1: Generally, there is no limit imposed on foreign shareholdings. However, a single foreign shareholder is not allowed to collectively own a majority stake in the Company. As of 31 March 2019, the total foreign shareholdings in the Company stood at 37.2%.

The GCEO responded to the remaining questions from Mr. Choo Mun Tuck as follows:-

A2: The current line-up of the senior and middle management of the Company has already demonstrated a greater emphasis on female representation in the management of the Company.

A3: In recognising that the KLIA Aerotrain and BHS have been in operation since the inception of KLIA and need to undergo massive asset replacement projects, the replacement schemes for both systems are scheduled to be initiated in 2019.

A4: Considering that the Company does not tolerate corrupt practices, the employees who were investigated by the MACC had since left the Company. Despite this, the Company has enhanced the integrity and anti-corruption procedures in fighting corruption and promoting a culture of high integrity in the Company. These initiatives are in line with the recent amendment of the MACC Act 2009 and the Government's effort in fighting corruption.

A5: The Company fully subscribed to the notion of maintaining good relationships at the strategic and operational levels with all its partners, including the airline partners being the main customers of the Company.

Encik Rien Hashim, a proxy, raised comments in relation to the following:-

(i) To place ushers and install more signages at Block C of the Short-Term Car Park, KLIA to direct the attendees to the Meeting venue.

(ii) To have a better planning on the refreshment and amount of door gifts based on the proxy forms received of which the door girts had run out during shareholders' registration.

Encik Rien Hashim then put forward his questions in relation to the following:-

Q6: With regard to the Turkish Operations, kindly enlighten the shareholders whether the Company is exposed to foreign exchange risk?

Q7: Does the Company intend to dispose its equity stake in Istanbul Sabiha Gokcen International Airport (ISG) in Turkey?

Q8: Reference is made on the decline of share price and market capitalisation of the Company which was at RM12.5 billion and the fall in the Company's FBM KLCI ranking to the 31st spot. The Company could be dropped as a KLCI constituent and thus, excluded from the top 30-spot FBM KLCI if the ranking slips further. Maintaining the Company as a KLCI constituent should be made as a key performance indicator for the Board.

Q9: Is there any plan for the Company to hold shareholders engagement with various activities, events and briefings? In reciprocal, the shareholders could promote the Company through social media.

Q10: What does it take to elevate KLIA to be comparable with other airports such as Changi Airport? Does the Company require high capital expenditure in realising the aspiration?

Q11: How much donations have the company paid during the last financial year?

The GCEO responded to Encik Rien Hashim's questions as follows:-

A6: With regard to the concern on the exposure of foreign exchange to the Company due to the volatility of Turkish Lira, the Company is fortunate that 85% of the exposure has been hedged as the revenue and utilisation fee arising from the operations are in Euro. Therefore, the Company is isolated from the currency risk exposure.

A7: In the matter of sale of the Company's equity stake in ISG, the Company is open for a strategic partnership to add greater value to the venture. Preferably, the Company is looking for a financial investor.

A8: Even though the fall in share price was due to weak market conditions, the share price of the Company had rebounded off the alarming mark for the past two (2) days. The Company is committed to improve the value of the shares through share price appreciation.

A9: In respect of shareholders' engagement, the Company could amplify the news, announcements and investor relation information through posting on the website of the Company to keep the shareholders abreast with the latest updates.

A10: In contrast to the airport tax structure mechanism of KLIA, Changi Airport is able to recoup the capital expenditure spent for a better airport service quality through aviation levy that provides SGD200 million per annum and development funds of SGD10 to SGD80 per pax to refurbish the airport and construct a new terminal, respectively. With the proposed implementation of RAB which at present is in discussion stage with MAVCOM, the Company would want to follow through the expenditure that allows the Company to improve the service level. The Company endeavours to strike a balance where the airport tax would not be burdensome on the passengers.

Mr. Choo Mun Tuck, a shareholder, further raised questions in relation to the following:-

Q12: Reference is made to the Statements of Profit or Loss on page 14 of the Financial Statements 2018 pertaining to the increase of Other Income for FY2018 amounting to RM547.045 million compared to RM230.935 million recorded for FY2017. Note 4 to the Financial Statements on page 75 detailed out the sources of Other Income which includes the Gain on Disposal of unquoted equity shares amounting to RM28.178 million as explained in Note 17. Based on Note 17 on page 96, the gain was attributed by the disposal of all the 8,812,190 equity shares, which represents 23% of the total issued and paid-up share capital of GMR Male International Airport Limited (GMIAL) to GMR Holdings (Purchaser or GMR Holdings), for a cash consideration of USD7.3 million (equivalent to RM28.178 million). Additionally, the Directors on 10 January 2019 had approved a six-month extension for GMR Holdings to settle the purchase consideration.

Following the above, will the Purchaser make the payment according to the deadline? If the Purchaser refuses to make the payment by the end of the extension period, does the Company need to make a reversal for the amount in the current financial year? In addition, what are the actions that could be taken if the Purchaser refuses to make the payment?

Q13: Reference is made to Note 19 on page 104 of the Financial Statements 2018 whereby on 2 January 2019, MAHB had announced that the Share Purchase Agreement (SPA) in relation to the disposal of all the

41,580,000 equity shares of INR 10 each which represents 11% of the total issued and paid up share capital GMR Hyderabad International Airport Limited (GHIAL) to GMR Airports (Purchaser or GMR Airports), for a cash consideration of USD76.05 million, equivalent to RM314.806 million (Proposed Disposal) has been automatically terminated due to failure of the Purchaser to complete their obligation in accordance with the terms of the SPA by 31 December 2018.

Further to that, on 4 January 2019, GMR Infrastructure Limited, the holding company of GMR Airports, has announced to the National Stock Exchange of India Limited that discussions are underway to enter into an updated agreement on this Proposed Disposal. Accordingly, both MAHB and GMR Airports are currently in discussion on the Proposed Disposal. In this regard, Mr. Choo Mun Tuck opined that the Purchaser will request for a lower consideration in the updated agreement in view of the Purchaser's failure to complete its obligation in the earlier agreement. Thus, what is the status of the Proposed Disposal? Is there any indication that the Purchaser will not be interested to pursue the transaction and requested for a lower consideration? In the event the Proposed Disposal does not materialise, whether impairment needs to be provided for or any reversal to be made to the current financial year?

The GCEO responded to Mr. Choo Mun Tuck's questions as follows:-

A12 & A13: There will be no reversal to be made to the current financial year as both the transactions were made based on fair value. With regard to Q12, the deadline for the payment is June 2019 and the Management foresees that the payment will be made accordingly and does not see any indication otherwise. Whilst for Q13, the Purchaser needs to come back with a new offer on the Proposed Disposal. However, being a public listed company, the Management was unable to disclose on the details of the new offer to the public. Nevertheless, the Management will endeavour to obtain the best possible deal from the transaction and optimistic that the Company could secure the best deal for the Proposed Disposal.

Mr. Yap Kim Tong, a shareholder, put forward his comments as follows:-

(i) He welcomed YBhg. Tan Sri Chairman as the new Chairman of the Company and wished that YBhg. Tan Sri Chairman will bring a new image to the Company as well as achieving better results in FY2019 under her leadership.

(ii) He acknowledged on the GCEO's feedback on the higher airport tax charged by Changi Airport as compared to the airport tax imposed at KLIA. As such, it is inappropriate to make the comparison between the infrastructure/facilities at the airports in both countries as Malaysia Airports also needs to operate other non-profitable airports in Malaysia.

(iii) The purpose of attending the Meeting is to learn about the Company and the shareholders should not overemphasise on other issues such as inadequacy of refreshment.

Mr. Yap Kim Tong also suggested on the following for the Management's consideration:-

(i) To review the Human Resource (HR) Policy in relation to racial distribution and to reward the hardworking and talented employees accordingly.

(ii) To ensure that the washrooms at KLIA are functional and workable at all times particularly the washrooms located at Arrival Hall.

(iii) To engage with the airlines that operates at the airports and entice them to advertise their services/companies in the Company's Annual Report. This would reduce the cost of printing the Annual Report and accordingly the savings could be utilised to pay dividends to the shareholders.

(iv) Sama-Sama Hotel is the KLIA flagship hotel, as such, the Management should consider changing the name of "Sama-Sama Hotel" to "Kuala Lumpur International Airport Hotel" to better reflect the image of the hotel in the market.

Mr. Yap Kim Tong further raised a question in relation to the following:-

Q14: Whether the Company has any bad debts?

In response, the GCEO commented that:-

(i) The Management expected that once the RAB framework is implemented, the Company would have higher chance to invest in Quality of Services (QoS) in order to enhance the airport facilities nationwide.

(ii) The current HR policy emphasises not only on gender diversity but also on ethnic diversity as part of the HR plan.

(iii) The Management acknowledged that the washrooms at KLIA is a perennial issue and informed that currently, 131 washrooms have been refurbished and the refurbishment works will be continued for another 94 washrooms. Additionally, the Company would penalise the cleaning contractors who are not performing in accordance with the Company's standards/QoS.

A14: The bad debts that were supposed to be impaired have been fully provided and the Management took note on Mr. Yap Kim Tong's suggestions as mentioned above.

At this juncture, the GCEO responded to a question posed by Encik Rien Hashim earlier on the donations by the Company (Q11). The shareholders was informed that the total donation of the Company for the FY2018 is approximately RM3.6 million.

Encik Rien Hashim, a proxy, further raised question in relation to the following:-

Q15: What is the expected dividend pay out for FY2019 and would it be similar as per the FY2018?

The GCEO responded to Encik Rien Hashim's question as follows:-

A15: The Company endeavours to reward the shareholders the best possible way whenever the Company achieves a good profit.

As there was no further question from the floor, the Meeting, thereafter, unanimously **agreed** that the Audited Financial Statements of the Company for the financial year ended 31 December 2018 together with the Directors and Auditors Reports thereon, be received.

2.0 ORDINARY RESOLUTION 1 – TO DECLARE AND APPROVE THE PAYMENT OF A FINAL SINGLE-TIER DIVIDEND OF 9.00 SEN PER ORDINARY SHARE IN RESPECT OF THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 AS RECOMMENDED BY THE DIRECTORS

YBhg. Tan Sri Chairman informed that the second item on the Agenda was to consider the payment of a final single-tier dividend of 9.00 sen per ordinary share in respect of the financial year ended 31 December 2018 as recommended by the Directors.

YBhg. Tan Sri Chairman then asked the floor for comments or questions.

Mr. Wai Meng Lai (proxy for Ms. Wai Meng Choo) (2,000 shares) proposed the motion to declare and approve the payment of a final single-tier dividend of 9.00 sen per ordinary share in respect of the financial year ended 31 December 2018 as recommended by the Directors.

The motion was put to the Meeting for voting by e-polling, and the result was verified by the scrutineers from Commercial Quest Sdn. Bhd. as follows:-

For		**Against**	
Number of Shares	**%**	**Number of Shares**	**%**
1,256,945,700	99.9997	3,202	0.0003

As the requisite majority votes have been obtained for Ordinary Resolution 1, YBhg. Tan Sri Chairman declared that the Ordinary Resolution 1 as **carried**.

It was **RESOLVED**:-

THAT the payment of a final single-tier dividend of 9.00 sen per ordinary share in respect of the financial year ended 31 December 2018 as recommended by the Directors be and is hereby approved.

3.0 ORDINARY RESOLUTION 2 – TO APPROVE THE PAYMENT OF DIRECTORS' FEES UP TO AN AMOUNT OF RM3,276,000.00 TO THE NON-EXECUTIVE DIRECTORS OF THE COMPANY WITH EFFECT FROM 3 MAY 2019 UNTIL THE NEXT AGM IN 2020, AS FOLLOWS:-
(A) PAYMENT MADE BY THE COMPANY AMOUNTING TO RM1,656,000.00; AND
(B) PAYMENT MADE BY THE COMPANY'S SUBSIDIARIES AMOUNTING TO RM1,620,000.00

YBhg. Tan Sri Chairman informed that the third item on the Agenda was to approve the payment of Directors' fees up to an amount of RM3,276,000.00 to the Non-Executive Directors of the Company with effect from 3 May 2019 until the next AGM in 2020, as follows:-

(a) Payment made by the Company amounting to RM1,656,000.00; and
(b) Payment made by the Company's Subsidiaries amounting to RM1,620,000.00.

YBhg. Tan Sri Chairman informed that Section 230(1) of the Companies Act 2016, stated that "the fees" of the directors and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting, and the Board agreed that the shareholders' approval shall be sought at the 20th AGM on the Directors' fees and benefits payable from 3 May 2019 until the next AGM in 2020.

YBhg. Tan Sri Chairman further informed that the estimated amount of RM3,276,000.00 for the Directors' fees is derived from a summed up total of RM1,656,000.00 for the period of 3 May 2019 until the next AGM in 2020 for the Company and a total of RM1,620,000.00 for the period from 3 May 2019 until the next AGM in 2020 for the Company's Subsidiaries, based on the framework of the payment of Directors' fees as follows:-

(a) For the Company Directors' fee, the Chairman will be paid RM18,000 per month whilst the Non-Executive Directors will be paid RM12,000 per month; and
(b) For the Company's Subsidiaries Directors' fee, the Chairman will be paid RM4,000 per month whilst the Non-Executive Directors will be paid RM3,000 per month.

YBhg. Tan Sri Chairman explained that the Board Nomination and Remuneration Committee (BNRC) had conducted a review on the Directors' fees and the overall Board Remuneration framework, to determine the competitiveness of Non-Executive Directors' remuneration, having regard to the level of responsibility, expertise and time commitment. The Board believes that the alignment of the remuneration offered to the Directors will enable the Company to continue to attract and retain individuals of the required calibre on the Boards of the Company and its Subsudiaries.

Based on the outcome of the review, the Board agreed that the Directors' fees for the Non-Executive Directors need to be reviewed in view of the heavy responsibility and time commitment required in line with the expansion of the business of the Company and the regulatory requirements imposed under the law.

With regard to the two-tier remuneration system of Directors of the Company's Subsidiaries, the Board is of the view that the roles, responsibilities and accountability of Directors of the Second Tier Companies are no lesser than that of the First Tier Companies and therefore the Directors' fees should be standardised. The BNRC was of the view that the Non-Executive Directors on the Boards of the Company's Subsidiaries should be accorded with monthly Directors' fees over and above the Meeting Allowances that are currently paid to the respective external Directors and Non-Executive Directors of the Company's Subsidiaries.

The Meeting noted that the payment of the Non-Executive Directors' fees will be made by the Company on a monthly basis and/or as and when incurred should the proposed Ordinary Resolution 2 have been passed at this 20th AGM. The Board is of the view that it is just and equitable for the Non-Executive Directors to be paid the Directors' fees on a monthly basis and/or as and when incurred, particularly after they have discharged their responsibilities and rendered their services to the Company and its Subsidiaries for the period of 3 May 2019 until the next AGM in 2020. In the event where the payment of Directors' fees for the period of 3 May 2019 until the next AGM in 2020 exceed the estimated amount sought in this AGM, a shareholders' approval is to be sought in the next AGM in 2020 on the payment of the exceeded amount. In determining the estimated total amount of Directors' fees payable for the Non-Executive Directors of the Company from 3 May 2019 until the next AGM in 2020, the Board has considered additional provisional sum for future appointment of Non-Executive Directors of the Company on the Boards of Subsidiaries due to business expansion as well as review of composition of Boards of Subsidiaries.

YBhg. Tan Sri Chairman then welcomed the floor for comments or questions.

Encik Rien Hashim, a proxy, put forward a question in relation to the following:-

Q1: The Company requested for a substantial increase in Directors' fees, however the recommendation is not consistent or in line with the Prime Ministers' comments and directive imposed on remuneration of directors of Government-Linked-Companies (GLCs). Please explain the rationale for the proposed resolution.

Encik Rein Hashim also commented that Directors' fees should commensurate with rewards to shareholders, such as the dividend payment to the shareholders. He then, pointed out on the lack of enough breakfast served at the Meeting. Furthermore, if shareholders were expected to come early to enjoy breakfast, this will cause uneasiness to the shareholders.

YBhg. Datuk Azailiza Mohd Ahad, Chairman of BNRC responded to Encik Rien Hashim's question as follows:-

A1: It must be pointed out that the review on the Company's Directors' Remuneration was last carried out in FY2013. The review was conducted by way of benchmarking to assess whether the level of competencies required and remuneration of the Company's Directors were at par with that of other GLCs.

YBhg. Datuk Azailiza Mohd Ahad informed that the Board noted on the Prime Minister's directive. Nevertheless, the rationale of the proposed increase is justifiable based on the challenges faced by the Directors, in terms of business expansion, profitability and enforcement aspects, moving forward.

The proposed increase in Directors' fees is higher due to the revision to the rate of Directors' fees in view of the heavy responsibility and time commitment. A review by an independent consultant on the framework of Directors' fees to measure the competitiveness against other GLCs was also conducted for benchmarking, to ensure the proposed increase commensurate and in line with the industry practice.

In terms of regulatory and compliance, the new Companies Act 2016 imposes onerous responsibilities on the Directors. Whilst, Section 17 of the amended MACC Act 2009 impose high accountability upon the Company and members of the Board covering corporate as well as criminal liabilities, including responsibilities for acts committed by contractors or agents of the Company. The MACC Act 2009 is now very rigid and enforced high financial penalties over non-compliance for abuse of powers. Therefore, the Board felt that it is timely to increase the Directors' fees.

YBhg. Datuk Seri Michael Yam Kong Choy, Senior Independent Director, responded to Encik Rien Hashim's question as follows:-

A2. The BNRC had reviewed the Directors' remuneration framework and the results showed that the fees do not commensurate with the directors' fees of other GLCs. The proposed increase in Directors' fees is higher due to the heavy responsibility and time commitment of the Company's Directors. The Company's Directors had a total of nineteen (19) Board meetings compared to an average of six (6) board meetings per year for other listed companies. Furthermore, the Directors have to fork out from their own resources, such as own cars, to travel to the Company's Corporate Office to attend meetings and other engagements with the senior management.

Apart from the roles and responsibilities, the shareholders should also take into account the holistic efforts taken by the Directors in rendering their services. It is crucial for the overall Board of Directors to consist of Directors and Independent Directors who are able to contribute in terms of knowledge, skills and experience to produce good results.

Further, the overall quantum of the proposed increase is 6% and lower compared to the dividend rate of 7.7%.

Hence, it is timely and justifiable for the shareholders to consider the proposal.

Encik Shulhameed K.E. Kappal Marican (Encik Shulhameed Marican), a shareholder, raised his comments with regard to Subang Airport of which he observed that the Management should be aware of the neglected and rundown condition of Terminal 2. It was suggested that Subang Airport vacant areas and its vicinity be revived and MAHB must seriously undertake certain measures and initiatives to change the present environment and further enhance the amenities at Subang Airport, amongst others.

The GCEO thanked Encik Shulhameed Marican for his comments and noted the recommendations to revive Subang Airport. The GCEO highlighted the Management had paid a visit to Seletar Airport in Singapore to study on its set up and operations. At present, efforts are being undertaken to regenerate and improve the condition of Subang Airport with certain focus projects, especially to unlock the potential value of certain open areas within the vicinity of the airport.

Additionally, Mr. Yap Kim Tong, a shareholder, was of the view that the proposed increase is comparatively lower compared to other public listed companies and the Company should strive to continue generating profits in future.

Mr. Lee Poh Woh (shareholder) (700 shares) proposed the motion for the payment of the Directors' fees up to an amount of RM3,276,000.00 to the Non-Executive Directors of the Company with effect from 3 May 2019 until the next AGM in 2020, as follows:-

(a) Payment made by the Company amounting to RM1,656,000.00; and
(b) Payment made by the Company's Subsidiaries amounting to RM1,620,000.00.

The motion was put to the Meeting for voting by e-polling and the result was verified by the scrutineers from Commercial Quest Sdn. Bhd. as follows:-

For		**Against**	
Number of Shares	**%**	**Number of Shares**	**%**
1,191,599,830	94.7985	65,381,310	5.2015

As the requisite majority votes have been obtained for Ordinary Resolution 2, YBhg. Tan Sri Chairman declared that the Ordinary Resolution 2 as **carried**.

It was **RESOLVED**:-

THAT the payment of Directors' fees up to an amount of RM3,276,000.00 to the Non-Executive Directors of the Company with effect from 3 May 2019 until the next AGM in 2020, be and is hereby approved as follows:-

(a) Payment made by the Company amounting to RM1,656,000.00; and
(b) Payment made by the Company's Subsidiaries amounting to RM1,620,000.00.

4.0 ORDINARY RESOLUTION 3 – TO APPROVE THE PAYMENT OF DIRECTORS' BENEFITS PAYABLE UP TO AN AMOUNT OF RM1,999,515.00 TO THE NON-EXECUTIVE DIRECTORS OF THE COMPANY WITH EFFECT FROM 3 MAY 2019 UNTIL THE NEXT AGM IN 2020, AS FOLLOWS:-
(A) PAYMENT MADE BY THE COMPANY AMOUNTING TO RM1,551,900.00; AND
(B) PAYMENT MADE BY THE COMPANY'S SUBSIDIARIES AMOUNTING TO RM447,615.00

YBhg. Tan Sri Chairman informed that the fourth item on the Agenda was to approve the payment of Directors' benefits payable up to an amount of

RM1,999,515.00 to the Non-Executive Directors of the Company with effect from 3 May 2019 until the next AGM in 2020, as follows:-

(a) Payment made by the Company amounting to RM1,551,900.00; and
(b) Payment made by the Company's Subsidiaries amounting to RM447,615.00.

Y. Bhg. Tan Sri Chairman explained that the Directors' benefits payable comprises the allowances, other emoluments and other claimable benefits payable to the Chairman and Non-Executive Directors of the Company.

The estimated amount of RM1,999,515.00 for the Directors' benefits payable to the Non-Executive Directors of the Company is derived from the payment made by the Company and the Company's Subsidiaries amounting to RM1,551,900.00 and RM447,615.00 respectively for the period from 3 May 2019 until the next AGM in 2020.

In determining the estimated total amount of Directors' benefits payable for the Non-Executive Directors of the Company for the period from 3 May 2019 until the next AGM, the Board has considered various factors including the number of scheduled meetings as well as the number of Non-Executive Directors involved in these meetings based on the current number of Non-Executive Directors. Additional provisional sum is also included for future appointment of Non-Executive Directors on the Boards of Subsidiaries and increase in number of Board and Board Committee meetings due to business expansion as well as review of composition of Boards of Subsidiaries.

YBhg. Tan Sri Chairman informed that the payment of the Non-Executive Directors' benefits payable will be made on a monthly basis and/or as and when incurred should the proposed Ordinary Resolution 3 be passed at this 20th AGM.

The Board is of the view that it is just and equitable for the Non-Executive Directors to be paid the benefits payable on a monthly basis and/or as and when incurred, particularly after they have discharged their responsibilities and rendered their services to the Company and its subsidiaries throughout the period from 3 May 2019 until the next AGM.

In the event where the payment of Directors' benefits payable during the period from 3 May 2019 until the next AGM exceed the estimated amount sought in this AGM, a shareholders' approval is to be sought in the next AGM in 2020 on the payment of the additional amount.

YBhg. Tan Sri Chairman then welcomed the floor for comments or questions.

Mr. Choo Mun Tuck (shareholder) (1,280 shares) proposed the motion for the payment of Directors' benefits payable up to an amount of RM1,999,515.00 to the Non-Executive Directors of the Company with effect from 3 May 2019 until the next AGM in 2020, as follows:-

(a) Payment made by the Company amounting to RM1,551,900.00; and
(b) Payment made by the Company's Subsidiaries amounting to RM447,615.00.

The motion was put to the Meeting for voting by e-polling and the result was verified by the scrutineers from Commercial Quest Sdn. Bhd. as follows:-

For		Against	
Number of Shares	**%**	**Number of Shares**	**%**
1,256,692,397	99.9828	216,417	0.0172

As the requisite majority votes have been obtained for Ordinary Resolution 3, YBhg. Tan Sri Chairman declared that the Ordinary Resolution 3 as **carried**.

It was **RESOLVED**:-

THAT the payment of Directors' benefits payable up to an amount of RM1,999,515.00 to the Non-Executive Directors of the Company with effect from 3 May 2019 until the next AGM in 2020, be and is hereby approved as follows:-

(a) Payment made by the Company amounting to RM1,551,900.00; and
(b) Payment made by the Company's Subsidiaries amounting to RM447,615.00.

5.0 ORDINARY RESOLUTION 4 – TO RE-ELECT YBHG. TAN SRI DATUK ZAINUN ALI WHO SHALL RETIRE IN ACCORDANCE WITH ARTICLE 129 OF THE COMPANY'S CONSTITUTION AND WHO BEING ELIGIBLE, OFFERS HERSELF FOR RE-ELECTION

As YBhg. Tan Sri Chairman was standing for re-election, YBhg. Datuk Seri Michael Yam Kong Choy presided as the Chairman of the Meeting for Ordinary Resolution 4.

YBhg. Datuk Seri Michael Yam Kong Choy informed that YBhg. Tan Sri Datuk Zainun Ali had indicated her willingness to be re-elected.

Encik Shulhameed Marican, a shareholder, raised his query as follows:-

Q1: Please explain the basis for YBhg. Tan Sri Chairman's re-election as she was newly appointed as Director on 18 January 2019.

YBhg. Datuk Seri Michael Yam Kong Choy responded to Encik Shulhameed Marican's query as follows:-

A1: Article 129 of the Company's Constitution stipulates:-

"*Any newly appointed Director shall hold office only until the next AGM of the Company at which Director is due to retire under this Article, when he shall retire but shall then be eligible for re-election.*"

Under Article 129 of the Company's Constitution, YBhg. Tan Sri Chairman who was newly appointed as Director during the year, shall hold office only until this AGM, and eligible for re-election and that as a matter of Corporate Governance practice and compliance requirements, the law is structured to confer the most important rights to the shareholders on election or re-election of Directors of a Company at an AGM.

At this juncture, Mr. Yap Kim Tong, a shareholder, extended his full support to YBhg. Tan Sri Chairman's re-election and chairmanship. Mr. Yap Kim Tong commented that with YBhg. Tan Sri Chairman's credible background, wisdom and dedication, she shall be able to pursue the Company's aspirations to greater heights.

Mr. Wai Meng Lai (proxy to Wai Meng Choo) (2,000 shares) proposed the motion for YBhg. Tan Sri Datuk Zainun Ali to be re-elected as Director of the Company.

The motion was put to the Meeting for voting by e-polling, and the result was verified by the scrutineers from Commercial Quest Sdn. Bhd. as follows:-

For		Against	
Number of Shares	**%**	**Number of Shares**	**%**
1,237,250,709	98.6565	16,848,780	1.3435

As the requisite majority votes have been obtained for Ordinary Resolution 4, YBhg. Datuk Seri Michael Yam Kong Choy declared that the Ordinary Resolution 4 as **carried**.

It was **RESOLVED**:-

THAT YBhg. Tan Sri Datuk Zainun Ali, who retired in accordance with Article 129 of the Company's Constitution and who being eligible, offered herself for re-election, be and is hereby re-elected as Director of the Company.

At this juncture, YBhg. Datuk Seri Michael Yam Kong Choy congratulated YBhg. Tan Sri Chairman for her re-election and passed the Chair back to YBhg. Tan Sri Chairman.

YBhg. Tan Sri Chairman expressed her appreciations to the shareholders and proceeded with the meeting.

6.0 ORDINARY RESOLUTION 5 – TO RE-ELECT YBHG. DATUK SITI ZAUYAH MD DESA WHO SHALL RETIRE IN ACCORDANCE WITH ARTICLE 129 OF THE COMPANY'S CONSTITUTION AND WHO BEING ELIGIBLE, OFFERS HERSELF FOR RE-ELECTION

YBhg. Tan Sri Chairman informed that the sixth item on the Agenda was to re-elect YBhg. Datuk Siti Zauyah Md Desa who was retiring in accordance with Article 129 of the Company's Constitution.

YBhg. Tan Sri Chairman highlighted that YBhg. Datuk Siti Zauyah Md Desa had indicated her willingness to be re-elected.

Mr. Goay Gaik Chai (shareholder) (2,000 shares) proposed the motion for YBhg. Datuk Siti Zauyah Md Desa to be re-elected as Director of the Company.

The motion was put to the Meeting for voting by e-polling, and the result was verified by the scrutineers from Commercial Quest Sdn. Bhd. as follows:-

For		Against	
Number of Shares	**%**	**Number of Shares**	**%**
1,251,780,483	99.5891	5,164,439	0.4109

As the requisite majority votes have been obtained for Ordinary Resolution 5, YBhg. Tan Sri Chairman declared that the Ordinary Resolution 5 as **carried**.

It was **RESOLVED**:-

THAT YBhg. Datuk Siti Zauyah Md Desa, who retired in accordance with Article 129 of the Company's Constitution and who being eligible, offered herself for re-election, be and is hereby re-elected as Director of the Company.

7.0 ORDINARY RESOLUTION 6 – TO RE-ELECT MR. RAMANATHAN SATHIAMUTTY WHO SHALL RETIRE IN ACCORDANCE WITH ARTICLE 129 OF THE COMPANY'S CONSTITUTION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-ELECTION

YBhg. Tan Sri Chairman informed that the seventh item on the Agenda was to re-elect Mr. Ramanathan Sathiamutty, who was retiring in accordance with Article 129 of the Company's Constitution.

YBhg. Tan Sri Chairman highlighted that Mr. Ramanathan Sathiamutty had indicated his willingness to be re-elected.

Encik Shulhameed K.E.Kappal Marican (shareholder) (1,000 shares) proposed the motion for Mr. Ramanathan Sathiamutty to be re-elected as Director of the Company.

The motion was put to the Meeting for voting by e-polling, and the result was verified by the scrutineers from Commercial Quest Sdn. Bhd. as follows:-

For		Against	
Number of Shares	**%**	**Number of Shares**	**%**
1,256,869,702	99.9966	43,095	0.0034

As the requisite majority votes have been obtained for Ordinary Resolution 6, YBhg. Tan Sri Chairman declared that the Ordinary Resolution 6 as **carried.**

It was **RESOLVED**:

THAT Mr. Ramanathan Sathiamutty, who retired in accordance with Article 129 of the Company's Constitution and who being eligible, offered himself for re-election, be and is hereby re-elected as Director of the Company.

8.0 ORDINARY RESOLUTION 8 – TO RE-ELECT MS. WONG SHU HSIEN WHO SHALL RETIRE IN ACCORDANCE WITH ARTICLE 129 OF THE COMPANY'S CONSTITUTION AND BEING ELIGIBLE, OFFERS HERSELF FOR RE-ELECTION

YBhg. Tan Sri Chairman informed that the eighth item on the Agenda was to re-elect Ms. Wong Shu Hsien who was retiring in accordance with Article 129 of the Company's Constitution.

YBhg. Tan Sri Chairman highlighted that Ms. Wong Shu Hsien had indicated her willingness to be re-elected.

Encik Isa Alwi (shareholder) (1,210 shares) proposed the motion for Ms. Wong Shu Hsien to be re-elected as Director of the Company.

The motion was put to the Meeting for voting by e-polling, and the result was verified by the scrutineers from Commercial Quest Sdn. Bhd. as follows:-

For		Against	
Number of Shares	**%**	**Number of Shares**	**%**
1,216,821,494	96.8106	40,087,473	3.1894

As the requisite majority votes have been obtained for Ordinary Resolution 7, YBhg. Tan Sri Chairman declared that the Ordinary Resolution 7 as **carried**.

It was **RESOLVED**:-

THAT Ms. Wong Shu Hsien, who retired in accordance with Article 129 of the Company's Constitution and who being eligible, offered herself for re-election, be and is hereby re-elected as Director of the Company.

9.0 ORDINARY RESOLUTION 8 – TO RE-ELECT DATO' IR. MOHAMAD HUSIN WHO SHALL RETIRE IN ACCORDANCE WITH ARTICLE 131 OF THE COMPANY'S CONSTITUTION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-ELECTION

YBhg. Tan Sri Chairman informed that the ninth item on the Agenda was to re-elect YBhg. Dato' Ir. Mohamad Husin, who was retiring in accordance with Article 131 of the Company's Constitution.

YBhg. Tan Sri Chairman highlighted that YBhg. Dato' Ir. Mohamad Husin had indicated his willingness to be re-elected.

Encik Shulhameed K.E.Kappal Marican (shareholder) (1,000 shares) proposed the motion for YBhg. Dato' Ir. Mohamad Husin to be re-elected as Director of the Company.

The motion was put to the Meeting for voting by e-polling, and the result was verified by the scrutineers from Commercial Quest Sdn. Bhd. as follows:-

For		**Against**	
Number of Shares	**%**	**Number of Shares**	**%**
1,252,465,490	99.6466	4,442,023	0.3534

As the requisite majority votes have been obtained for Ordinary Resolution 8, YBhg. Tan Sri Chairman declared that the Ordinary Resolution 8 as **carried**.

It was **RESOLVED**:-

THAT YBhg. Dato' Ir. Mohamad Husin, who retired pursuant to Article 131 of the Company's Constitution and who being eligible, offered himself for re-election, be and is hereby re-elected as Director of the Company.

10.0 ORDINARY RESOLUTION 9 – TO RE-ELECT YBHG. DATUK AZAILIZA MOHD AHAD WHO SHALL RETIRE IN ACCORDANCE WITH ARTICLE 131 OF THE COMPANY'S CONSTITUTION AND BEING ELIGIBLE, OFFERS HERSELF FOR RE-ELECTION

YBhg. Tan Sri Chairman informed that the tenth item on the Agenda was to re-elect YBhg. Datuk Azailiza Mohd Ahad, who was retiring in accordance with Article 131 of the Company's Constitution.

YBhg. Tan Sri Chairman highlighted that YBhg. Datuk Azailiza Mohd Ahad had indicated her willingness to be re-elected.

Encik A. Bakar Md Atan (shareholder) (621 shares) proposed the motion for YBhg. Datuk Azailiza Mohd Ahad to be re-elected as Director of the Company.

The motion was put to the Meeting for voting by e-polling, and the result was verified by the scrutineers from Commercial Quest Sdn. Bhd. as follows:-

For		**Against**	
Number of Shares	**%**	**Number of Shares**	**%**
1,249,483,627	99.4080	7,441,177	0.5920

As the requisite majority votes have been obtained for Ordinary Resolution 9, YBhg. Tan Sri Chairman declared that the Ordinary Resolution 9 as **carried**.

It was **RESOLVED**:-

THAT YBhg. Datuk Azailiza Mohd Ahad, who retired pursuant to Article 131 of the Company's Constitution and who being eligible, offered herself for re-election, be and is hereby re-elected as Director of the Company.

11.0 ORDINARY RESOLUTION 10 – TO RE-APPOINT MESSRS. ERNST & YOUNG AS AUDITORS OF THE COMPANY FOR THE ENSUING YEAR AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION

YBhg. Tan Sri Chairman informed that the eleventh item on the Agenda was to re-appoint Messrs. Ernst & Young as Auditors of the Company until the conclusion of the next AGM, and to authorise the Directors to fix their remuneration.

Mr. Gan Chin Huat (shareholder) (12,575 shares) proposed the motion for the re-appointment of Messrs. Ernst & Young as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

The motion was put to the Meeting for voting by e-polling, and the result was verified by the scrutineers from Commercial Quest Sdn. Bhd. as follows:-

For		**Against**	
Number of Shares	**%**	**Number of Shares**	**%**
1,215,737,794	96.7232	41,186,883	3.2768

As the requisite majority votes have been obtained for Ordinary Resolution 10, YBhg. Tan Sri Chairman declared that the Ordinary Resolution 10 as **carried**.

It was **RESOLVED**:-

THAT Messrs. Ernst & Young be and is hereby re-appointed as Auditors of the Company for the ensuing year **AND THAT** the Directors be and hereby authorised to fix their remuneration.

12.0 SPECIAL RESOLUTION 1 – TO APPROVE THE REVOCATION OF EXISTING CONSTITUTION WITH IMMEDIATE EFFECT AND IN PLACE THEREOF, THE PROPOSED NEW CONSTITUTION OF THE COMPANY AS SET OUT IN THE CIRCULAR TO SHAREHOLDERS DATED 3 APRIL 2019 ACCOMPANYING THE COMPANY'S ANNUAL REPORT 2018 BE AND IS HEREBY ADOPTED AS THE CONSTITUTION OF THE COMPANY AND TO AUTHORISE THE DIRECTORS OF THE COMPANY TO ASSENT TO ANY MODIFICATION, VARIATION AND/OR AMENDMENTS AS MAY BE REQUIRED BY THE RELEVANT AUTHORITIES AND TO DO ALL ACTS AND THINGS AND TAKE ALL SUCH ACTIONS AS MAY BE CONSIDERED NECESSARY TO GIVE FULL EFFECT TO THE FOREGOING

YBhg. Tan Sri Chairman informed that the twelfth item on the Agenda was to approve the revocation of existing Constitution with immediate effect and in place thereof, the proposed new Constitution of the Company as set out in the Circular to Shareholders dated 3 April 2019 accompanying the Company's Annual Report 2018 be and is hereby adopted as the constitution of the Company and to authorise the Directors of the Company to assent to any modification, variation and/or amendments as may be required by the relevant authorities and to do all acts and things and take all such actions as may be considered necessary to give full effect to the foregoing.

The proposed Special Resolution 1, if passed, will give full effect to the New Proposed Constitution as set out in Appendix III of the Circular to Shareholders dated 3 April 2019 accompanying the Company's Annual Report for the financial year ended 31 December 2018. The rationale of the New Proposed Constitution is to ensure continued compliance and to bring the existing Constitution of the Company in line with the following laws and regulations:

(i) Latest amendments made to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad which was issued on 29 November 2017;
(ii) Companies Act 2016 which came into effect on 31 January 2017; and
(iii) Malaysian Code on Corporate Governance 2017.

In view of the numerous amendments which would entail substantial amendments to the existing Constitution, the Board had proposed for the revocation of the existing Constitution in its entirety with immediate effect, and in place thereof, a new Constitution as set out in the Circular to Shareholders dated 3 April 2019, be adopted. The New Proposed Constitution shall take effect immediately once Special Resolution 1 is passed by a majority of not less than seventy-five per centum (75%) of such members who are entitled to vote and do vote in person or by proxy at the 20th AGM

The Meeting was informed that the Company had appointed Messrs. Skrine & Co. as the legal firm to advise on the adoption of the new Constitution of the Company and To' Puan Janet Looi, Partner, Messrs. Skrine & Co. was present at the Meeting.

Mr. Choo Mun Tuck, a shareholder, put forward question in relation to the following:-

Q1: Reference is made to Rule 84 stated on page 40 of the Circular to the Shareholders in relation to the Proposed Adoption of a New Constitution of the Company which was duly circulated to all Members.

Kindly clarify the meaning of "Omission of Notice" under Rule 84, mentioned therein.

To' Puan Janet Looi, responded to Mr. Choo Mun Tuck's question as follows:-

A1: Article 84 of the proposed New Constitution stipulates:-

"The accidental omission to give notice of any general meeting to or the non-receipt of any such notice by any of the Members shall not invalidate any resolution passed at any such meeting or any proceedings at such meeting."

To' Puan Janet Looi explained that "accidental omission" to give notice of any general meeting or the non-receipt of any such notice is included in the proposed New Constitution and drafted to cater for some reasons or circumstances where notices of general meetings which are posted to shareholders are not delivered or do not reach the shareholders for any reason whatsoever which is an "accidental omission" and with no intention to omit or not to serve any notices.

Mr. Lim Jit Thin (proxy to Tan Kar Yee)(1 share) proposed the motion for the revocation of existing Constitution with immediate effect and in place thereof, the proposed new Constitution of the Company as set out in the Circular to Shareholders dated 3 April 2019 accompanying the Company's Annual Report 2018 be and is hereby adopted as the constitution of the Company and to authorise the Directors of the Company to assent to any modification, variation and/or amendments as may be required by the relevant authorities and to do all acts and things and take all such actions as may be considered necessary to give full effect to the foregoing.

The motion was put to the Meeting for voting by e-polling, and the result was verified by the scrutineers from Commercial Quest Sdn. Bhd. as follows:-

For		Against	
Number of Shares	**%**	**Number of Shares**	**%**
1,256,894,017	99.9964	44,666	0.0036

As the requisite majority votes have been obtained for Special Resolution 1, YBhg. Tan Sri Chairman declared that the Special Resolution 1 as **carried**.

It was **RESOLVED**:-

THAT the revocation of existing Constitution with immediate effect and in place thereof, the proposed new Constitution of the Company as set out in the Circular to Shareholders dated 3 April 2019 accompanying the Company's Annual Report 2018 be and is hereby adopted as the constitution of the Company and to the Directors of the Company be authorised to assent to any modification, variation and/or amendments as may be required by the relevant authorities and to do all acts and things and take all such actions as may be considered necessary to give full effect to the foregoing, be and hereby approved.

13.0 TO TRANSACT ANY OTHER BUSINESS OF WHICH DUE NOTICE SHALL HAVE BEEN GIVEN IN ACCORDANCE WITH THE COMPANIES ACT 2016 AND THE COMPANY'S CONSTITUTION

YBhg. Tan Sri Chairman informed that the thirteenth item on the Agenda was to transact any other business for which due notice shall have been received in accordance with the Companies Act 2016 and the Company's Constitution.

YBhg. Tan Sri Chairman further informed that, as confirmed by the Company Secretary, that there was no notice received for any other business.

NOTE OF APPRECIATION

On behalf of the Board and Management of the Company, YBhg. Tan Sri Chairman thanked the members for their attendance and continued support to the Company.

TERMINATION

There being no other business to be transacted, the Meeting terminated at 1.50 p.m. with a vote of thanks to YBhg. Tan Sri Chairman.

SIGNED AS A CORRECT RECORD

CHAIRMAN

Dated: 31 May 2019