

# **GEORGE KENT (MALAYSIA) BERHAD**

*(Company No. 1945-X)*

Summary of Minutes of the Sixty-Sixth Annual General Meeting of the Company duly convened and held at the Registered Office of the Company at 1115, Jalan Puchong, Taman Meranti Jaya, 47120 Puchong, Selangor Darul Ehsan on Thursday, 22 June 2017 at 12:00 noon.

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## **1.0 ADDRESS BY THE CHAIRMAN**

The Chairman, on behalf of the Board of Directors, welcomed Shareholders and proxies present to the Sixty-Sixth Annual General Meeting (“66<sup>th</sup> AGM”) of the Company.

The Chairman informed that the notice convening the 66<sup>th</sup> AGM of the Company had been circulated to all Shareholders on 31 May 2017. With the permission of the Shareholders and proxies present, the notice convening the meeting was taken as read. With the requisite quorum being present, the Chairman called the meeting to order.

The Chairman presented a brief update on the Company, as follows:

- (i) The financial year ended 31 January 2017 (“FY2017”) was a record year for the Company. The Company achieved another set of record results for the year, as:
  - a) profit before tax reached RM134 million, up 90% from RM70 million in the financial year ended 31 January 2016 (“FY2016”);
  - b) profit after tax hit RM101 million, up 102% from RM50 million previously; and
  - c) revenue at RM598 million, also a record, was up 12% from a year before. The revenue figure was distorted due to the nature of equity accounting from joint ventures.
- (ii) During the year, the Company achieved a number of milestones:
  - a) The Ampang LRT Line Extension was successfully completed and launched by the Prime Minister on 30 June 2016. Prasarana Malaysia Berhad given their commendation to the Company in recognition of the Company’s capability and effort in successfully delivering the project. With this, the Company is the only local rail systems work contractor that has delivered a full systems integration for a rail project in Malaysia;
  - b) The Company and its joint venture partner won through competitive bidding another tender by Mass Rapid Transit Corporation Sdn Bhd for the trackworks, maintenance vehicles and work trains package for the MRT SSP Line or MRT2 of just over RM1 billion;

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- c) Besides these developments in the rail sector, the Company also won two hospital tenders on a competitive bidding basis in the course of the year. The first is the 150-bed hospital in Tanjung Karang, Selangor in October 2016, whilst the second is the 220-bed Endocrine Hospital in Putrajaya in December 2016;
- d) On the metering front, the Company won the bid from the Public Utilities Board of Singapore for the supply of 323,630 units of water meters to be delivered over 18 months. This marked the third consecutive water meter order from PUB since 2012. The Company is the only company that has successfully secured large water meter contracts from both the Singapore and Hong Kong water authorities at the same time, which are known for their very stringent standards;
- e) On top of that, the Company has in March 2017 secured a contract to supply over 530,000 water meters for a year to the State of Selangor;
- f) New orders secured in FY2017 amounted to RM1.2 billion, which gives the Company a record total order book of RM6.2 billion as at 31 January 2017. This will sustain the earnings of the Company for many years to come;
- g) The Company's balance sheet continues to be healthy with total shareholders' equity of RM400 million. As at 31 January 2017, the Company was in a strong cash position of RM430 million with minimal debt – mainly project financing;
- h) Recommendation to pay a final single-tier dividend of 5 sen per share was made for shareholders' approval. If approved, this will result in a total gross dividend payout of 10 sen per share for the year, including the two interim dividends paid earlier. This translates to a total dividend payout of RM37.55 million, an increase of 78.6% compared with the RM21.03 million paid for FY2016. The Company has recorded a dividend payout compound annual growth rate of over 33% over the last eight years with an average payout ratio of approximately 42%;
- i) The strong balance sheet will be a good platform for further growth. The Company will be participating in more rail transportation projects in Malaysia and the region. The Company will also invest in technology and recurring-income businesses to continue to deliver sustainable earnings growth and increase dividend pay out whenever possible.

## **2.0 POLL VOTING**

The Chairman informed Shareholders and proxies present that the voting at the 66<sup>th</sup> AGM would be conducted by way of electronic polling.

The Company had appointed Symphony Merchant Sdn Bhd as Poll Administrator to conduct the polling process and Sharepolls Sdn Bhd as Scrutineers to verify the poll results.

The Chairman invited the representative of the Poll Administrator to explain the electronic polling process to Shareholders and proxies present.

Having concluded the briefing by the representative of the Poll Administrator, the Chairman proceeded to deal with the business at hand.

## **3.0 AUDITED FINANCIAL STATEMENTS AND THE DIRECTORS' AND AUDITORS' REPORTS**

The audited financial statements of the Company for FY2017 and the Directors' and Auditors' Reports thereon were tabled for discussion. Shareholders and proxies present were invited to raise questions on the audited financial statements and reports as tabled. As no questions were raised from the floor, it was recorded that the audited financial statements of the Company for FY2017 and the Directors' and Auditors' Reports thereon had been duly tabled and received by Shareholders and proxies present.

## **4.0 POLL RESULTS**

All the resolutions tabled at the 66<sup>th</sup> AGM of the Company were duly passed by Shareholders and proxies present and the poll results of the resolutions are summarised below:

	<b>FOR</b>		<b>AGAINST</b>	
	No. of shares	%	No. of shares	%
<u>Ordinary Resolution 1</u> To approve the payment of a final dividend	239,900,035	99.9990	2,325	0.0010
<u>Ordinary Resolution 2</u> Re-election of Mr Ong Seng Pheow as a Director	198,896,600	82.9234	40,959,110	17.0766
<u>Ordinary Resolution 3</u> Re-election of Dato' Paduka (Dr.) Ir. Hj. Keizrul Bin Abdullah as a Director	239,694,185	99.9430	136,625	0.0570
	<b>FOR</b>		<b>AGAINST</b>	
	No. of shares	%	No. of shares	%

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<u>Ordinary Resolution 4</u> Re-appointment of Puan Sri Datin Tan Swee Bee as a Director	216,377,110	97.4969	5,555,276	2.5031
<u>Ordinary Resolution 5</u> Re-appointment of Dato' Ahmad Khairummuzammil bin Mohd Yusoff as a Director	231,869,749	99.5195	1,119,461	0.4805
<u>Ordinary Resolution 6</u> To approve payment of Directors' fees and benefits to Non-Executive Directors	239,017,974	99.9324	161,786	0.0676
<u>Ordinary Resolution 7</u> Re-appointment of Deloitte PLT as the Company's Auditors and to authorise the Directors to fix their remuneration	239,801,849	99.9840	38,261	0.0160
<u>Ordinary Resolution 8</u> Retention of Independent Non- Executive Director	209,801,040	87.5420	29,856,559	12.4580
<u>Ordinary Resolution 9</u> Authority to Directors to allot shares	238,626,385	99.5015	1,195,525	0.4985
<u>Ordinary Resolution 10</u> Proposed Share Split	239,936,374	99.9946	12,975	0.0054

**5.0 CLOSURE**

There being no other business to transact, the Chairman thanked Shareholders and proxies present for their attendance and declared the meeting closed at 12.25 p.m.