

## **MCT BERHAD (Company No. 881786-X)**

### **Summary of Key Matters Discussed at Tenth Annual General Meeting held on Wednesday, 26 June 2019, at 10.30 a.m.**

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MCT Berhad (“**the Company**”) recently held its Tenth Annual General Meeting (“**10th AGM**”) on 26 June 2019 at Sheraton Petaling Jaya Hotel.

The Chairman informed the Meeting that voting on all the resolutions set out in the notice of the 10th AGM shall be carried out by poll and voting on the resolutions tabled at the Meeting was conducted upon completion of deliberation of each of the resolutions via an electronic poll voting method. Boardroom Share Registrars Sdn. Bhd. was the poll administrator for the voting process while Niche & Milestones International Sdn. Bhd. acted as the scrutineer to validate the votes.

#### **QUESTIONS RAISED BY SHAREHOLDERS**

Mr. Leo Ann Puat (“**Mr. Leo**”), a proxy, thanked the newly appointed Chief Executive Officer (“**CEO**”) of the Company, Mr. Teh Heng Chong for a comprehensive presentation with a focus on the past and current financial performance of the Company, the new board composition and the future outlook of the Company. Before proceeding to raise questions, he welcomed all new on-board Directors of the Company. Mr. Leo went on to express that he is of the view that the newly minted Management possesses the capabilities to take the Company to greater heights in the near future.

He then raised the following questions to the Board of Directors (“**Board**”):

##### Question 1:

Based on the presentation on the outlook of the Company for 2019 and next subsequent years, with the two ongoing projects namely Lakefront and Cybersouth, would the Company be able to sustain its revenue in 2019?

Response by the CEO: With a good grasp of consumers’ demands and requirements, we have succeeded in developing the right products to meet market demands. A number of the units in Cyberjaya projects have achieved encouraging take-up rates of more than 90%. Our development projects based in Dengkil, with a focus on landed properties, have recorded 100% sales thus far for three of our existing phases. The remaining unsold stocks is less than RM1 billion. As it stands, there are approximately 300 to 400 units pending conversion (awaiting approval of the bank loans for the buyers to formally take up these units). It is the aim of the Company to dispose of all remaining stocks by the end of 2019.

Further to that, the Company is currently targeting three new launches poised to take place by the end of 2019. For these new launches, the Company is estimating to rake in approximately RM600 to RM700 million in sales revenue.

With all that being said, the Company has a rather positive outlook in terms of sustaining its sales revenue both for 2019 and in coming years.

##### Question 2:

Assuming the Company is successful in recording an increase in profits in the coming years, would the Company pay out dividends to its shareholders?

Response by the CEO: For now, the Company is still at a growing stage. It is the Company’s intention to be able to reward its shareholders in the near future.

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#### Question 3:

Just for clarification, the Company's future development located at Metropark Subang is at an area where one other development by Tropicana that seems to have a hard time to dispose of despite aggressive advertising and marketing. From your point of view, would the Company face similar challenges in the near future?

Response by the CEO: As the township in the Metropark Subang area has significantly matured over time, the completion of various infrastructure & amenities within the development such as the direct interchange from the Federal Highway, the 10-acre Central Park and the Gems International School has transformed this location to be attractive to homeowners, we are confident over the prospects of our project. Additionally, we have also differentiated our products compared to the one sold by Tropicana, whereby we have diversified our type of offerings to include low rise condominiums. The Company is rather optimistic that this said development located at Metropark Subang would sell well.

#### Question 4:

With reference to the segmental reporting in the Audited Financial Statements of the Company for the financial period ended 31 December 2018, there are two categories namely property development and construction. From the report, no revenue was recorded under construction arm of the Company for the financial period from 1 July 2018 to 31 December 2018. What is the intention of the Company in the near future for its construction sector?

Response by the CEO: The Company has an internal construction team that has carried out most of the Company's developments thus far. However, to achieve greater heights in terms of growth and profits in the near future, the Company has to partly outsource its construction works to external parties to achieve its long-term goals in a timely manner. As such, the Company shall continue to juggle between both the internal and external construction team.

Mr. Leo took note of the explanation provided by Mr. Teh and apologised for the misunderstanding, thinking that the construction arm of the Company was a business unit by itself, set up with the view of generating income for the Company.

Mr. Alvin Chan Kam Yu ("**Mr. Chan**"), a shareholder, put forward the following question to the Board:

#### Question 1:

What is the occupancy rate of One City Mall?

#### Response by the CEO

For the purpose of clarification, the Company does not own the said mall. We were merely the developer of the mall. To answer your question, the mall is not fully occupied at this point in time.

Mr. Jeffery Wong Pak Sheng, a shareholder, put forward the following question to the Board:

#### Question 1:

Please clarify the persisting Practice Note 19 (non-compliance with the public shareholding spread requirement) status of the Company under the Main Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("Bursa Securities"), and the implications it shall have on the Company?

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Response by Mr. David Aw, General Manager of Corporate Strategic Management:

The Company is currently short by less than 1% to meet the required 25% public shareholdings spread requirement under the Listing Requirements. The Company has put in place a multitude of strategies and efforts which has resulted in an increase from 14% to almost 25% within a time frame of three (3) to four (4) months. The Company shall continue talks with public investors to close this gap as soon as possible.

At this juncture and in this light, Mr. Leo raised the following query to the Board:

Question 6

Is there a time frame involved in this given situation before Bursa Securities decides to take action?

Response by Mr. David Aw, General Manager of Corporate Strategic Management:

The Company has obtained an approved extension of time up to 4 August 2019 after which, the Company shall proceed to re-apply for a further extension of time. We are hopeful that Bursa Securities will grant us further extension of time as the public shareholdings spread has improved considerably since the last approval.

Mr. Chan, a shareholder, put forward the following question to the Board:

Are there any updates on the temple incident?

Response by the CEO

As the temple incident has been touted to be a public issue, the Company has been working very closely and diligently with the Attorney General ("AG") and both the Federal and State Governments to reach an amicable resolution. The Attorney General has proposed for the Temple devotees to seek directions from the court to appoint a trustee for the temple. We fully support the AG's initiative and we understand it would take some time for the relevant parties to resolve the issue.

As a developer, the Company is reviewing its master plan around the temple area to ensure the development in this said area progresses as per the scheduled timeline. The Company is working hard to ensure a finalised copy of the revised master plan is submitted for approvals by the relevant authorities by year end, with the intention to launch the first phase of the said development in a year or two.

At this juncture, Mr. Leo commented that the Company ought to emulate the developer of Mid Valley by giving the temple the piece of land to which, Mr. Teh responded by stating that the Company is in the midst of resolving the matter within the ambit of the law. Additionally, the Company will proceed to review the Masterplan of the development around the piece of temple land and will re-submit an amended Development Order to the Authorities for approval soon.