

LINGKARAN TRANS KOTA HOLDINGS BERHAD

(335382-V)

(Incorporated in Malaysia)

Minutes of the 23rd Annual General Meeting (AGM) of the Company held at Permai Room, Kota Permai Golf & Country Club, No. 1 Jalan 31/100A, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor Darul Ehsan, on Wednesday, 29 August 2018 at 2.00 p.m.

- PRESENT** : Directors
- Tan Sri Dato' Setia Haji Ambrin bin Buang (*Chairman*)
 Ir Haji Yusoff bin Daud
 Dato' Ir Chew Swee Hock
 Dato' Haji Azmi bin Mat Nor
 Datin Lee Choi Chew
 Puan Nazli binti Mohd Khir Johari
- : Shareholders, Proxies and Corporate Representative (Collectively "Members") Based on Appointment Holding 429,435,899 Ordinary Shares Representing 81.31% of the Total Number of Issued Shares of The Company as at 21 August 2018
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- 155 Members
 243 Proxies
 1 Corporate Representative
- BY INVITATION** En Sazally bin Saidi (*Chief Executive Officer*)
 Mr Stephen Low Chee Weng (*Chief Financial Officer*)
 Mr Terence Tan (*Ernst & Young*)
 Mr Jerry Ang (*Ernst & Young*)
- SECRETARIES** : Ms Lim Soo Lye
 Ms Chiew Teng Juan
- QUORUM** : There being a quorum, the 23rd AGM was dully convened.
- NOTICE** : The notice convening the 23rd AGM (the "Notice") having been circulated in accordance with the statutory period was taken as read.

WELCOME ADDRESS

The Chairman welcomed the Members to Lingkaran Trans Kota Holdings Berhad's 23rd AGM. He introduced the Board of Directors, the Senior Management and the Company Secretary to the Members.

PRELIMINARY

Poll Voting

The Chairman went on to explain that pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, voting on all resolutions set out in the Notice shall be conducted by poll.

He informed the Members that Tricor Investor and Issuing House Services Sdn Bhd (Tricor) shall be the Poll Administrator whilst the Independent Scrutineer shall be Coopers Professional Scrutineers Sdn Bhd (Coopers).

He further informed the Members that the polling shall be by way of e-voting and that the Poll Administrator will explain to the Members later the voting process after the Members finished deliberating all the agenda items in the Notice before the polling starts.

The Chairman went on to take the Members through the agendas of the meeting.

1.0 AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

The Chairman tabled the Audited Financial Statements of the Company for the financial year ended 31 March 2018 together with the Reports of the Directors and Auditors as set out in the 2018 Annual Report.

The Chairman informed the Members that the Board has received enquiries from the Minority Shareholders Watch Group (“MSWG”) and requested Mr Stephen Low Chee Weng, the Chief Financial Officer of the Company to read out the Company’s responses to the Members as requested by MSWG per Annexure 1 attached.

The meeting continued with the Chairman inviting questions from the floor in connection with the Company’s Audited Financial Statements for financial year ended 31 March 2018.

There being no enquiry from the Members, the Audited Financial Statements for the financial year ended 31 March 2018 together with the Reports of the Directors and Auditors thereon were received by the Members.

2.0 RE-ELECTION OF DIRECTOR UNDER ARTICLE 81 OF THE COMPANY’S CONSTITUTION

The Chairman informed the Members that Agenda 2 or Resolution 1 pertains to the re-election of Datin Lee Choi Chew who will be retiring upon the conclusion of the Company’s 23rd AGM in accordance with Article 81 of the Company’s Constitution and being eligible has offered herself for re-election.

The Chairman invited questions from the floor in connection with the aforesaid Resolution. As there was no question or clarification sought, the Chairman informed the Members that voting on Resolution 1 shall be conducted by poll upon the completion of the remaining businesses of the 23rd AGM.

3.0 RE-ELECTION OF DIRECTORS UNDER ARTICLE 87 OF THE COMPANY'S CONSTITUTION

- a. The Chairman informed the Members that Resolutions 2 and 3 of Agenda 3 pertain to the re-election of Puan Nazli binti Mohd Khir Johari (Resolution 3) and himself (Resolution 2). He said both of them will be retiring at the conclusion of the 23rd AGM of the Company in accordance with Article 87 of the Company's Constitution and being eligible have offered themselves for re-election.

The Chairman invited questions from the floor in connection with the aforesaid Resolutions. As there was no question or clarification sought, the Chairman informed the Members that voting on Resolutions 2 and 3 shall be conducted by poll upon the completion of the remaining businesses of the 23rd AGM.

4.0 PAYMENT OF DIRECTORS' FEES

The Chairman informed the Members that Agenda 4 or Resolution 4 was to seek the Members' approval for payment of Directors' fees of RM421,102 for the financial year ended 31 March 2018.

He informed the Members that the proposed payment for financial year ended 31 March 2018 comprises the following:

Fees	RM
Director Fees	338,961
Audit Committee Fees	82,141
TOTAL	421,102

The Chairman invited questions from the floor in connection with the aforesaid Resolution. As there was no question or clarification sought, the Chairman informed the Members that voting on Resolution 4 shall be conducted by poll upon the completion of the remaining businesses of the 23rd AGM.

5.0 PAYMENT OF DIRECTORS' BENEFITS (EXCLUDING DIRECTORS' FEES)

The Chairman informed the Members that Agenda 5 or Resolution 5 was to seek the Members' approval for payment of Directors' benefits (excluding Directors' fees) of RM233,364 comprising benefits-in-kind and meeting allowances to Directors for the period from 1 April 2017 until the next AGM of the Company to be held in 2019.

The proposed payment comprises the following:

No.	Benefits	RM
1.	Benefits-in-kind for the period from 1 April 2017 to 29 August 2017 to Tan Sri Dato' Ir (Dr) Wan Abdul Rahman bin Haji Wan Yaacob who has retired on 29 August 2017	59,364

No.	Benefits	RM
2.	Estimated meeting allowances for meetings of Board and Board Committees from 1 April 2018 until the next annual general meeting in 2019	174,000
	TOTAL	233,364

The Chairman explained that the estimated meeting allowances for Directors for the period from 1 April 2018 until the next annual general meeting in 2019 was based on the number of scheduled meetings and other factors which may call for additional meetings of Board and Board Committees as well as the number of Non-Executive Directors involved in the meetings. In the event that the payment of meeting allowances during the aforesaid period exceeded the estimated amount sought, shareholders' approval will be sought at the next annual general meeting.

The Chairman invited questions from the floor in connection with the aforesaid Resolution. As there was no question or clarification sought, the Chairman informed the Members that voting on Resolution 5 shall be conducted by poll upon the completion of the remaining businesses of the 23rd AGM.

6.0 EX-GRATIA PAYMENT TO DATO' IR CHEW SWEE HOCK

The Chairman informed the Members that Agenda 6 or Resolution 6 was to seek Members' approval of an ex-gratia payment of RM100,000 to Dato' Ir Chew Swee Hock after his retirement at the conclusion of the 23rd AGM. He said the proposed payment serves as a token of appreciation from the Company for Dato' Ir Chew's services and contribution to the Company and the Group since his appointment to the Board on 1 August 1996.

The Chairman invited questions from the floor in connection with the aforesaid Resolution. As there was no question or clarification sought, the Chairman informed the Members that voting on Resolution 6 shall be conducted by poll upon the completion of the remaining businesses of the 23rd AGM.

7.0 RE-APPOINTMENT OF AUDITORS

The Chairman informed the Members that Agenda 7 or Resolution 7 pertains to the re-appointment of Messrs Ernst & Young as auditors of the Company and to authorise the Directors to fix their remuneration.

The Chairman invited questions from the floor in connection with the aforesaid Resolution. As there was no question or clarification sought, the Chairman informed the Members that voting on Resolution 7 shall be conducted by poll upon the completion of the remaining businesses of the 23rd AGM.

8.0 PROPOSED GRANT OF OPTIONS TO NON-EXECUTIVE DIRECTORS UNDER THE EMPLOYEES SHARE OPTION SCHEME OF THE COMPANY (THE “SCHEME”)

The Chairman informed the Members that the last 3 Resolutions, Resolutions 8 to 10 were Ordinary Resolutions pertaining to the proposed grant of share options to the following Non-Executive Directors of the Company to subscribe for up to between 40,000 to 100,000 new ordinary shares each in the Company under the existing Employees Share Option Scheme:

Director	Proposed No. of Share Options
Datin Lee Choi Chew	40,000
Tan Sri Dato’ Setia Haji Ambrin bin Buang	100,000
Puan Nazli binti Mohd Khir Johari	100,000

The Chairman explained that the existing Scheme was established in October 2013 and will be expiring on 8 October 2018. The Board has on the recommendation of the ESOS Committee, given its approval on 23 July 2018 to extend the Scheme for a further 5 years (2nd Period).

He said Datin Lee Choi Chew was granted 60,000 share options in 2015 during the 1st Period (1st 5 years) of the Scheme. Resolution 8 if passed, will allow the Board of Directors to offer and grant to Datin Lee a further 40,000 share options, making the total granted to Datin Lee 100,000 share options under the Scheme.

He went on to explain that Puan Nazli binti Mohd Khir Johari and himself were appointed to the Board of Directors on 2 January 2018 and 6 September 2017 respectively. Resolutions 9 and 10, if passed, will allow the Board of Directors to offer and grant to Puan Nazli and himself options to subscribe for up to 100,000 new ordinary shares each in the Company under the Scheme after one year of service with the Company.

The Chairman invited questions from the floor in connection with the aforesaid Resolutions. As there was no question or clarification sought, the Chairman informed the Members that voting on Resolutions 8 to 10 shall be conducted by poll.

9.0 ANY OTHER BUSINESS

As no notice has been received to transact any other business, the Chairman declared that the meeting shall continue with poll voting on the aforesaid resolutions.

10.0 POLL VOTING

The Chairman invited the Poll Administrator, Ms Wong Yoke Fun of Tricor and the Independent Scrutineer, Mr Chuah Poo Sian of Coopers to introduce themselves to the Members.

On the Chairman’s request, the Poll Administrator briefed the Members on the

polling process.

Ms Wong Yoke Fun, the Poll Administrator, explained to the Members the polling procedures for the conduct of electronic poll voting (e-Voting) using Tricor e-Vote App. She informed the Members that they may vote using their own mobile devices by downloading Tricor e-Vote App and connect to the Wi-Fi network provided by Tricor. Thereafter, they can activate their voting profiles by scanning the passcode on their respective wristbands issued to them when they registered themselves at the registration room they were in earlier. She said alternatively, they may proceed to the voting kiosks set up in the registration room and Tricor's staff will assist them to vote using the Tricor e-Vote App. She informed the Members that the time allocated for Members to cast their votes is 10 minutes.

An e-Voting tutorial video was also played to guide the Members on the voting process prior to the commencement of e-Voting.

The Chairman adjourned the meeting for 20 minutes at 2.25 p.m. for poll voting and to enable the Poll Administrator to conduct the e-polling and collate the poll results for verification and validation by the Scrutineer. He requested the Members to return to Permai Room at 2.45 p.m. for the announcement of the poll results.

11.0 ANNOUNCEMENT OF POLL RESULTS

The Chairman called the meeting to order at 2.50 p.m. for the announcement of the poll results. He informed the Members that he had received the poll results which have been verified and validated by the Independent Scrutineer. Mr Chuah Poo Sian, the Independent Scrutineer, was invited to announce the poll results as set out below:

RESOLUTION		FOR		AGAINST		TOTAL VOTES
		No. of Shares	%	No. of Shares	%	No. of Shares
1.	Re-election of Datin Lee Choi Chew in accordance with Article 81 of the Company's Constitution	428,337,794	99.982	76,800	0.018	428,414,594
2.	Re-election of Tan Sri Dato' Setia Haji Ambrin bin Buang in accordance with Article 87 of the Company's Constitution	427,825,394	99.858	608,200	0.142	428,433,594
3.	Re-election of Puan Nazli binti Mohd Khir Johari in accordance with Article 87 of the Company's Constitution	428,408,294	99.994	25,300	0.006	428,433,594
4.	Approval of Directors' fees	428,754,794	99.993	30,300	0.007	428,785,094
5.	Approval of Directors' benefits (excluding Directors' fees)	386,115,394	99.992	30,100	0.008	386,145,494

RESOLUTION		FOR		AGAINST		TOTAL VOTES
		No. of Shares	%	No. of Shares	%	No. of Shares
6.	Approval of ex-gratia payment to Dato' Ir Chew Swee Hock	384,034,294	89.584	44,653,800	10.416	428,688,094
7.	Re-appointment of Messrs Ernst & Young as Auditors	428,778,394	99.994	27,700	0.006	428,806,094
8.	Grant of share options to Datin Lee Choi Chew	244,618,944	64.073	137,161,450	35.927	381,780,394
9.	Grant of share options to Tan Sri Dato' Setia Haji Ambrin bin Buang	244,637,944	64.075	137,161,450	35.925	381,799,394
10.	Grant of share options to Puan Nazli binti Mohd Khir Johari	244,637,944	64.075	137,161,450	35.925	381,799,394

Based on the aforesaid results, the Chairman declared that Resolutions 1 to 10 were carried as follows:

RESOLUTION 1

Re-Election of Datin Lee Choi Chew in Accordance with Article 81 of the Company's Constitution

It was **RESOLVED**:

"THAT Datin Lee Choi Chew, who is retiring by rotation in accordance with Article 81 of the Company's Constitution, be hereby re-elected as a Director of the Company."

RESOLUTION 2

Re-Election of Tan Sri Dato' Setia Haji Ambrin Bin Buang in Accordance with Article 87 of the Company's Constitution

It was **RESOLVED**:

"THAT Tan Sri Dato' Setia Haji Ambrin bin Buang, who is retiring in accordance with Article 87 of the Company's Constitution, be hereby re-elected as a Director of the Company."

RESOLUTION 3

Re-Election of Puan Nazli Binti Mohd Khir Johari in Accordance with Article 87 of the Company's Constitution

It was **RESOLVED**:

"THAT Puan Nazli binti Mohd Khir Johari, who is retiring in accordance with Article 87 of the Company's Constitution, be hereby re-elected as a Director of the Company."

RESOLUTION 4
Approval of Directors' Fees

It was **RESOLVED**:

“THAT the payment of Directors' fees of RM421,102 for the financial year ended 31 March 2018 be hereby approved.”

RESOLUTION 5
Approval of Directors' Benefits (Excluding Directors' Fees)

It was **RESOLVED**:

“THAT the payment of Directors' benefits (excluding Directors' fees) up to an amount of RM233,364 for the period from 1 April 2017 until the next Annual General Meeting of the Company to be held in 2019 be hereby approved.”

RESOLUTION 6
Approval of Ex-Gratia Payment to Dato' Ir Chew Swee Hock

It was **RESOLVED**:

“THAT an ex-gratia payment of RM100,000 to Dato' Ir Chew Swee Hock who is retiring at the conclusion of the 23rd Annual General Meeting of the Company, be hereby approved.”

RESOLUTION 7
Re-Appointment of Messrs Ernst & Young as Auditors

It was **RESOLVED**:

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

RESOLUTION 8
Grant of Share Options to Datin Lee Choi Chew

It was **RESOLVED**:

“THAT subject to the passing of Resolution 1 above, the Board of Directors of the Company be and is hereby authorised at any time and from time to time, to offer and to grant to Datin Lee Choi Chew, who is an Independent Non-Executive Director of the Company, options to subscribe for up to 40,000 new ordinary shares in the Company under the Scheme, AND subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-laws of the Scheme.”

RESOLUTION 9**Grant of Share Options to Tan Sri Dato' Setia Haji Ambrin Bin Buang**

It was **RESOLVED**:

“THAT subject to the passing of Resolution 2 above, the Board of Directors of the Company be and is hereby authorised at any time and from time to time, to offer and to grant to Tan Sri Dato' Setia Haji Ambrin bin Buang, who is the Independent Non-Executive Chairman of the Company, options to subscribe for up to 100,000 new ordinary shares in the Company under the Scheme, AND subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-laws of the Scheme.”

RESOLUTION 10**Grant of Share Options to Puan Nazli Binti Mohd Khir Johari**

It was **RESOLVED**:

“THAT subject to the passing of Resolution 3 above, the Board of Directors of the Company be and is hereby authorised at any time and from time to time, to offer and to grant to Puan Nazli binti Mohd Khir Johari, who is an Independent Non-Executive Director of the Company, options to subscribe for up to 100,000 new ordinary shares in the Company under the Scheme, AND subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-laws of the Scheme.”

12.0 CLOSE OF MEETING

There being no other business, the Chairman declared the 23rd AGM of Lingkar Trans Kota Holdings Berhad closed at 2.55 p.m. On behalf of the Board of Directors, the Chairman thanked the Members for their attendance.

CONFIRMED

CHAIRMAN

Reply to Minority Shareholders Watch Group (“MSWG”)’s enquiries dated 17 August 2018

Q1. Given the new Government’s policy to abolish all tolled highways, could the Board share on its plan, going forward, to sustain the Company’s business and operations?

A1. Up to the date of this meeting, the Board has not received any formal proposal from the new Government pertaining to the abovementioned matter. As mentioned in the Management Discussion & Analysis section of the Group’s Annual Report, the Group expects fair compensation to be provided by the Government should the above takes place.

The new Minister of Works, YB Baru Bian was also quoted recently on 14 August 2018 by most major newspapers that the Government has decided to postpone the move to abolish tolls until the country’s economy has stabilised. As such, in the immediate term, the Group’s focus will still be on managing both the LDP and SPRINT Highways.

On a longer-term perspective, the Group has always been opened to new investments opportunities. As noted in the Management Discussion & Analysis section of the Group’s Annual Reports, in the past the Group preferred toll concession investments as this is where the Group’s core strength lies. With the change in Government/Government’s policy on toll concessions, the Group would need to re-evaluate this position moving forward.

New investments would require fresh funding either by tapping the equity or debt markets as the Group has always maintained the policy of distributing all excess funds to shareholders in the past. Given the deferment of Government’s policy as mentioned above, the Board would have more time to better evaluate the Group’s current position and strategy moving forward including new investment opportunities and related funding requirements.

Q2. The Group’s share of results of SPRINT Group has improved by approximately 20% with a loss of RM4.3 million in FY2018 as compared to a loss of RM5.4 million in FY2017. Does the Board expect a turnaround performance from the associate company in FY2019?

A2. For financial year (FY) 2019, the losses at SPRINT Group is expected to be holding at similar levels with FY2018. Whilst toll rates for Penchala Link is expected to increase with effect from 1 January 2019 in accordance with the Concession Agreement, this positive impact is only for the last 3 months of the FY2019. Barring any unforeseen circumstances, the SPRINT Group’s financial performance is expected to turnaround in the next few years.

Q3. Proposed Granting of Options to Non-Executive Directors (Resolutions 8-10)

In line with good corporate governance practices, MSWG does not encourage the practice of giving option to non-executive directors as they play the governance role in the Company and are responsible in monitoring the option allocation to employees and executive directors.

Reply to Minority Shareholders Watch Group (“MSWG”)’s enquiries dated 17 August 2018

Under the Proposed Allocations, we noted that non-executive directors are also eligible to subscribe for new shares in the Company.

- (i) Could the Board provide the rationale for allocating the option to non-executive directors?**
- (ii) How would the Board ensure that the issue of conflict of interest is addressed if the non-executive are also the recipients under the scheme when presiding and deliberating on such allocations under the option scheme?**
- (iii) How is the monitoring process under the option scheme?**

A3. The current Employee Share Option Scheme (the Scheme) was established in 2013 following the approval of shareholders at the 18th Annual General Meeting (AGM). Simultaneously at the same AGM, the shareholders have given their approval to grant 100,000 share options each to all the Non-Executive Directors in office at that time. The shareholders have later also given their approval to grant 60,000 share options to Datin Lee Choi Chew at the 20th AGM in 2015.

The extension of the share options to Independent Non-Executive Directors will enable the Company to attract and retain capable individuals to act as Independent Non-Executive Directors of our Company, and in light of responsibilities and liabilities inherent in their appointments, albeit in non-executive capacities.

The amount of share options proposed for the Independent Non-Executive Directors is small and should be viewed as a token of appreciation for their contribution to the Company.

There is no conflict of interest in relation to the proposed allocation to Independent Non-Executive Directors as the actual quantum of allocation was determined and recommended by the ESOS Committee which comprises the following members:

1. Ir Haji Yusoff bin Daud (Chairman)
2. Dato’ Haji Azmi bin Mat Nor (Non-Executive Director)
3. Encik Sazally bin Saidi (Chief Executive Officer)
4. Mr Stephen Low Chee Weng (Chief Financial Officer)
5. Puan Norhashima binti Dato’ Mohd Hassan (Head of Human Resource)

The Independent Non-Executive Directors had also abstained from voting on the Board’s proposal to recommend the proposed grant of share options to Independent Non-Executive Directors to the shareholders for approval. Moreover, the grant of share options to the Independent Non-Executive Directors are ultimately subject to the shareholders’ approval at AGM.

The proposed grant of share options if approved, will be offered to Datin Lee Choi Chew in 2 equal tranches of 20,000 share options per annum and in 5 equal tranches of 20,000 share options each per annum to Tan Sri Dato’ Setia Haji Ambrin bin Buang and Puan Nazli binti Mohd Khir Johari after one year of service with the Company, over the balance 5 years of the Scheme.

Reply to Minority Shareholders Watch Group (“MSWG”)’s enquiries dated 17 August 2018

Notwithstanding the above, under By-law 11.2 of the ESOS Scheme, Non-Executive Directors who have been granted share options must not sell, transfer or assign new LITRAK Shares obtained through the exercise of the share options offered to him/her under the Scheme for at least 1 year from the Date of Offer.

Q4. Ex-Gratia Payment

The Board is tabling a resolution to seek shareholders’ approval for the payment of an ex-gratia payment of RM100,000 to Dato’ Ir Chew Swee Hock who is retiring at the conclusion of the 23rd AGM. Could the Board provide the rationale for paying ex-gratia to an independent director?

- A4. The Company does not have a fixed policy on this matter. The Remuneration Committee before making recommendation to the Board for approval, has considered Dato’ Ir Chew’s 22 years of service and contribution to the Group since the inception of the Company. However, this proposal is ultimately still subject to approval of the Company’s shareholders at AGM. The Board is of the view that the ex-gratia payment of RM100,000 is a very reasonable sum in recognition of Dato’ Ir Chew’s 22 years of service to the Group.

There is precedence of such ex-gratia payment to previous retiring Independent Non-Executive Director. Last year when Tan Sri Dato’ Ir (Dr) Wan Abdul Rahman bin Haji Wan Yaacob retired, the shareholders at AGM approved a RM100,000 ex-gratia payment to him.