

**AMCORP PROPERTIES BERHAD**

(Company No: 6386-K)

(Incorporated in Malaysia)

**SUMMARY OF KEY MATTERS DISCUSSED AT THE  
FIFTY-SECOND ANNUAL GENERAL MEETING HELD ON 30 AUGUST 2018**

<b>NO.</b>	<b>QUESTIONS RAISED BY MINORITY SHAREHOLDERS WATCH GROUP</b>	<b>RESPONSES TO MINORITY SHAREHOLDERS WATCH GROUP</b>
A.	<p>Has the Company managed to sell the remaining 27 units of Holland Park Villas and remaining 6 units of property at Burlington Gate?</p> <p>(a) What will be the selling price of each unit of Holland Park Villas and Burlington Gate respectively?</p> <p>(b) What is the Company's plan if it is unable to sell the remaining units of Holland Park Villas and Burlington Gate?</p>	<p>Subsequent to the financial year end, we have exchanged contract or completed the sale of 13 units in Holland Park Villas and completed the sale of 2 units in Burlington Gate.</p> <p>(a) The minimum selling price of the remaining units in Holland Park Villas ranges between GBP1.6 million to GBP16.0 million. As for Burlington Gate, it ranges between GBP2.9 million to GBP12.0 million. The actual selling price of each unit is subject to a negotiation process with the interested buyer as well as the size and state of furnishing of each unit.</p> <p>(b) Based on the exchanged and completed sales mentioned above, we are satisfied with the current progress. These units are normally released in batches given they are high end luxury units as indicated by their prices. Both projects have been completed and our discerning buyers are able to benefit from a firsthand view of the quality of the finished product. In order to accelerate sales, we have remodeled some as show units complete with designer furniture for the intended buyers to have a better appreciation.</p>
B.	<p>What is the expected rental income per annum for the 49 two-bedroom apartment block of Kilmuir House?</p>	<p>The rental income per annum was approximately GBP1.5 million and this is achieved on the back of occupancy in excess of 95% since January 2018.</p>
C.	<p>What is the latest take-up rate for Jorge Juan property project at Madrid and when is the expected completion date?</p>	<p>Although we have not had an official launch, we have received reservation for 2 out of the 7 units. The expected completion date would be in the second half of 2019.</p>

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D.	<p>Please provide the gross development value (“GDV”) and the expected date of completion of each of the 4 property projects in Madrid namely, Santa Engracia, Modesto Lafuente, Hermosilla and Gracia de Paredes respectively.</p>	<p>Summary of the estimated total GDV and expected completion date for these projects where the Company has 50% in the joint venture is as follows:</p> <table border="1" data-bbox="1031 532 1929 777"> <thead> <tr> <th>Project name</th> <th>Estimated GDV* (EUR’ million)</th> <th>Expected completion date</th> </tr> </thead> <tbody> <tr> <td>Santa Engracia</td> <td>15</td> <td>2020</td> </tr> <tr> <td>Modesto Lafuente</td> <td>19</td> <td>2020</td> </tr> <tr> <td>Hermosilla</td> <td>94</td> <td>2024</td> </tr> <tr> <td>Garcia de Paredes</td> <td>17</td> <td>2020</td> </tr> <tr> <td><b>Total</b></td> <td><b>145</b></td> <td></td> </tr> </tbody> </table> <p><i>*The estimated GDV is subject to change based on final design and market conditions closer to the actual launch.</i></p>	Project name	Estimated GDV* (EUR’ million)	Expected completion date	Santa Engracia	15	2020	Modesto Lafuente	19	2020	Hermosilla	94	2024	Garcia de Paredes	17	2020	<b>Total</b>	<b>145</b>	
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E.	<p>What is the expected sales proceed from the disposal of remaining 19 units of The Westminster Nanpeidai, Tokyo?</p> <p>Has the Company succeeded in disposing any of the remaining 19units? If no, why?</p>	<p>The expected gross sales proceeds of the remaining 19 units of The Westminster Nanpeidai, Tokyo is approximately RM165.0 million. Subsequent to the financial year end, there have exchanged or completed a further 7 units. The Company has a 38.46% interest in this joint venture.</p>																		
F.	<p>As disclosed on page 20 of the Annual Report 2018, the 20MW hydro power plant in Sungai Liang, Pahang is expected to achieve its commercial operation in the third quarter of 2018.</p> <p>(a) What is the duration of the power purchase agreement with Tenaga Nasional Berhad (“TNB”)?</p> <p>(b) What is the Feed-in Tariff rate contracted with TNB?</p>	<p>(a) The duration of the Renewable Energy Power Purchase Agreement (REPPA) signed with TNB is 21 years from the commercial operation date as determined under the Renewable Energy Act 2011.</p> <p>(b) The Feed-in Tariff rate under the REPPA is RM0.25 per kWh.</p>																		

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G.	<p>As disclosed on page 29 of the Corporate Governance (“CG”) Report, the Directors’ fees to be paid is RM360,000.00 while the amount stated in Resolution 2 is RM540,000.00.</p> <p>Could the Board explain the reason for the discrepancy in the amount of Directors’ fees shown in the CG Report and Resolution 2?</p>	<p>The fee payable to each Director was RM60,000.00 per annum and the composition of the Directors’ fees is as set out in the table below:</p> <table border="1" data-bbox="1031 540 1995 1154"> <thead> <tr> <th data-bbox="1031 540 1352 638">Directors’ fees as per Annual General Meeting resolution</th> <th data-bbox="1352 540 1507 638">Directors’ fees (RM)</th> <th data-bbox="1507 540 1822 638">Directors’ fees as per CG Report</th> <th data-bbox="1822 540 1995 638">Directors’ fees (RM)</th> </tr> </thead> <tbody> <tr> <td data-bbox="1031 638 1352 670">Shalina Azman</td> <td data-bbox="1352 638 1507 670">60,000</td> <td data-bbox="1507 638 1822 670">Shalina Azman</td> <td data-bbox="1822 638 1995 670">60,000</td> </tr> <tr> <td data-bbox="1031 670 1352 735">Dato’ Che Md Nawawi bin Ismail</td> <td data-bbox="1352 670 1507 735">60,000</td> <td data-bbox="1507 670 1822 735">Dato’ Che Md Nawawi bin Ismail</td> <td data-bbox="1822 670 1995 735">60,000</td> </tr> <tr> <td data-bbox="1031 735 1352 768">P’ng Soo Theng</td> <td data-bbox="1352 735 1507 768">60,000</td> <td data-bbox="1507 735 1822 768">P’ng Soo Theng</td> <td data-bbox="1822 735 1995 768">60,000</td> </tr> <tr> <td data-bbox="1031 768 1352 800">Tan Bun Poo</td> <td data-bbox="1352 768 1507 800">60,000</td> <td data-bbox="1507 768 1822 800">Tan Bun Poo</td> <td data-bbox="1822 768 1995 800">60,000</td> </tr> <tr> <td data-bbox="1031 800 1352 833">Kamil Ahmad Merican</td> <td data-bbox="1352 800 1507 833">60,000</td> <td data-bbox="1507 800 1822 833">Kamil Ahmad Merican</td> <td data-bbox="1822 800 1995 833">60,000</td> </tr> <tr> <td data-bbox="1031 833 1352 865">Soo Kim Wai</td> <td data-bbox="1352 833 1507 865">60,000</td> <td data-bbox="1507 833 1822 865">Soo Kim Wai</td> <td data-bbox="1822 833 1995 865">60,000</td> </tr> <tr> <td data-bbox="1031 865 1352 946">Tun Chen Wing Sum <i>(resigned on 16.4.18)</i></td> <td data-bbox="1352 865 1507 946">60,000</td> <td data-bbox="1507 865 1822 946"></td> <td data-bbox="1822 865 1995 946"></td> </tr> <tr> <td data-bbox="1031 946 1352 1011">Tan Sri Lee Lam Thye <i>(resigned on 16.4.18)</i></td> <td data-bbox="1352 946 1507 1011">60,000</td> <td data-bbox="1507 946 1822 1011"></td> <td data-bbox="1822 946 1995 1011"></td> </tr> <tr> <td data-bbox="1031 1011 1352 1076">Azmi Hashim <i>(resigned on 16.4.18)</i></td> <td data-bbox="1352 1011 1507 1076">60,000</td> <td data-bbox="1507 1011 1822 1076"></td> <td data-bbox="1822 1011 1995 1076"></td> </tr> <tr> <td data-bbox="1031 1076 1352 1154"><b>Total fees payable for 9 Directors</b></td> <td data-bbox="1352 1076 1507 1154"><b>540,000</b></td> <td data-bbox="1507 1076 1822 1154"><b>Total fees payable for 6 Directors</b></td> <td data-bbox="1822 1076 1995 1154"><b>360,000</b></td> </tr> </tbody> </table>				Directors’ fees as per Annual General Meeting resolution	Directors’ fees (RM)	Directors’ fees as per CG Report	Directors’ fees (RM)	Shalina Azman	60,000	Shalina Azman	60,000	Dato’ Che Md Nawawi bin Ismail	60,000	Dato’ Che Md Nawawi bin Ismail	60,000	P’ng Soo Theng	60,000	P’ng Soo Theng	60,000	Tan Bun Poo	60,000	Tan Bun Poo	60,000	Kamil Ahmad Merican	60,000	Kamil Ahmad Merican	60,000	Soo Kim Wai	60,000	Soo Kim Wai	60,000	Tun Chen Wing Sum <i>(resigned on 16.4.18)</i>	60,000			Tan Sri Lee Lam Thye <i>(resigned on 16.4.18)</i>	60,000			Azmi Hashim <i>(resigned on 16.4.18)</i>	60,000			<b>Total fees payable for 9 Directors</b>	<b>540,000</b>	<b>Total fees payable for 6 Directors</b>	<b>360,000</b>
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NO.	QUESTIONS RAISED BY SHAREHOLDERS/PROXIES	RESPONSES FROM DIRECTORS/MANAGEMENT
1.	<p>It was noted that the Group registered RM203.989 million from the share of results of joint ventures as reflected under “Statements of Profit or Loss and Other Comprehensive Income” in the Audited Financial Statements for the financial year ended 31 March 2018 (“FY2018”) [“AFS”], without which the Group would be in a loss making position. Meanwhile, Malaysia Properties and Others Segment had incurred loss before tax of RM17.527 million for FY2018.</p> <p>Could the Board elaborate on this?</p>	<p>Approximately 58% of the Group’s total assets is contributed by the overseas properties under joint ventures (“JVs”). The Group’s revenue comprises contributions from Malaysia Properties and Contracting &amp; Renewable Energy Segments. There will be a situation where the turnover is low but the profit is high due to the accounting standards.</p> <p>The loss incurred by our Malaysia Properties and Others Segment was mainly due to lower sales achieved for Sibujaya and Kayangan Heights projects as compared to FY2017. There was also RM6.03 million of head office expenses allocated to this segment based on capital employed. In addition, the Group had in the financial year drawn down approximately USD20.0 million loan facility in anticipation of the capital calls for the overseas investments and therefore resulted in higher finance costs. Nevertheless, the Group recorded gross profit for FY2018.</p>
2.	<p>The Group’s United Kingdom (“UK”) operations have been performing well in FY2018. However, its Spain JV, Urban Value Add I (Spain), S.L. had incurred loss as reported on page 106 of the Annual Report 2018. Will Spain JV contribute positively in FY2019? What is the Company’s outlook moving forward?</p>	<p>In accordance with international accounting standards, overseas profit recognition is based on completion method which would result in volatile profits. However, this is just a timing difference of profit recognition. Each investment has its gestation period during which the Group will time its movements cautiously in tandem with market acceptance. Most of our overseas projects are expected to be completed from 2020 onwards.</p>
3.	<p>Kilmuir House (Jersey) Limited had incurred loss during FY2018. What is the current status of the project?</p>	<p>Kilmuir House apartment had undergone an extensive refurbishment completed in April 2017 and achieved 99.5% occupancy rate as at July 2018. Given the strategic location of the property in the heart of Belgravia, redevelopment plan is underway to collaborate with the owner of the adjoining land to deliver an exclusive prime new built development scheme.</p>

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4.	What is the status of the Group's investments in Japan?	<p>Our Japan JV had invested into three (3) properties, two (2) of which are residential projects i.e. The Westminster Nanpeidai and Court Annex Roppongi.</p> <p>The Westminster Nanpeidai, located in Shibuya has achieved sales of 40 units out of the total 52 units as of to-date. As for Court Annex Roppongi, the city planning proposal for the redevelopment scheme led by Nomura Real Estate Development ("Nomura") is targeted to be submitted in September 2018. The JV entity plans to exit this project around 2020 by disposing of the strata rights obtained via an equivalent exchange programme with Nomura.</p>
5.	What are the reasons of the resignations of five (5) Board members in 2018?	<p>As we continue to enhance the Board's independent oversight, the Board had during FY2018 adopted a 12-year tenure policy to limit the tenure of the Independent Directors to twelve (12) years. To conform with this policy, our long-serving Independent Directors, Tun Chen Wing Sum and Tan Sri Lee Lam Thye stepped down from the Board in April 2018. Consequently, Encik Azmi Hashim, the Non-Executive Director also resigned from the Board in order to comply with Practice 4.1 of Malaysian Code on Corporate Governance 2017 which requires at least half of the Board comprises Independent Directors.</p> <p>Subsequently in June 2018, for a clearer demarcation of roles and responsibilities, the two (2) Executive Directors, Mr. Ben Lee and Encik Shahman Azman relinquished their directorships and took up the roles of Group Chief Executive Officer ("CEO") and Deputy Group CEO respectively. This is also part of our efforts in ensuring effective oversight of management.</p>

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6.	<p>There is RM113.373 million of unutilised proceeds raised from the rights issue exercise as at 30 June 2018. What is the intended use of the unutilised proceeds?</p> <p>What is the Company's current bank borrowings and whether the bank borrowings of RM625.654 million as stated in the AFS for FY2018 was after the repayment of borrowings with the proceeds of rights issue?</p>	<p>The rights issue was completed in April 2018, ie. after the financial year. Hence, the AFS for FY2018 does not include the proceeds raised from the rights issue.</p> <p>As at to-date, RM237 million out of the total proceeds raised has been utilised to repay bank borrowings and this has substantially reduced the Group's bank borrowings to RM438.655 million as at 30 June 2018. It has also improved the Group's gearing ratio and brought the Group to a better capital position. The unutilised proceeds would be allocated for existing and future property development projects and investments/acquisitions, details of which are disclosed in the rights issue circular dated 18 January 2018.</p>
7.	Any plan to utilise the reserves as at 31 March 2018?	<p>Pursuant to Section 618 of Companies Act 2016, any amount standing to the credit of the share premium account and capital redemption reserve shall become part of the Company's share capital from 31 January 2017 onwards in view of the no par value regime. However, companies are given two (2) years transitional period of 24 months to utilise the outstanding amount until 31 January 2019, upon which any unutilised amount would be merged to the Company's share capital.</p>
8.	What is the reason of the significant increase in "other operating expenses" as compared to previous financial year?	<p>The increase was mainly due to foreign currency translation of approximately RM12 million arising from the drawdown of USD loans during FY2018. In addition, there was a provision for receivable of RM2.0 million under Contracting and Renewable Energy Segment.</p>

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9.	Is AmFIRST Real Estate Investment Trust (“AmFIRST REIT”) related to the Company? Will AmFIRST REIT’s results affect the Company’s performance?	<p>The Group holds 30% equity interest in AmFIRST REIT’s manager (“Manager”), i.e. AmREIT Managers Sdn Bhd (formerly known as Am ARA REIT Managers Sdn Bhd) via AmREIT Holdings Sdn Bhd (formerly known as Am ARA REIT Holdings Sdn Bhd). AmFIRST REIT owns a diverse portfolio of properties located in Klang Valley, Melaka and Penang.</p> <p>The Manager is responsible for the management of AmFIRST REIT and is entitled to charge fee on the total asset value, acquisition and divestment fees as well as performance fee. We share the results of the Manager but not AmFIRST REIT.</p>
10.	How was the performance of the Group’s Renewable Energy Division during the financial year under review?	<p>For FY2018, the Renewable Energy Division had contributed 14.1% (RM18.8 million) to the Group’s revenue as compared to 8.7% (RM16.4 million) in the previous financial year.</p> <p>Due to extraordinary wet season in 2017, our Sg. Perting 6MW mini hydro plant had generated 36.3GWh of energy which is equivalent to RM8.7 million in FY2018. On the other hand, our Gemas 10.25MW solar plant recorded lower generation as irradiation had dropped slightly in FY2018.</p>
11.	It was noted that there are different types of returns received by the Group’s from its JV projects, ie. via capital return and dividend. Could the Board explain the differences?	It depends on the structure of the JV entities in the respective jurisdictions. For example, some of our UK JVs are formed as Limited Liabilities Partnership. Under this structures, distributions from the JVs would be in the form of capital return instead of dividend.

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12.	How does the Company monitor its overseas projects?	Our management team conducts regular overseas site visits. There are also frequent communications with the joint venture partners either through meetings or via video conferencing. Board/management meetings of the JV entities are held regularly to discuss the status of the projects and operation matters.