EXTRACT of the **MINUTES** of the **32nd Annual General Meeting** {AGM} of **IJM CORPORATION BERHAD (104131-A)** held at the Victorian Ballroom, Level 1, Holiday Villa Hotel & Suites Subang, 9 Jalan SS12/1, 47500 Subang Jaya on Wednesday, 24 August 2016, at 3.00 p.m.

DIRECTORS & SECRETARY PRESENT:-

1. Tan Sri Abdul Halim bin Ali, *Independent Non-Executive Chairman*
2. Tan Sri Dato' Tan Boon Seng @ Krishnan, *Deputy Non-Executive Chairman*
3. Dato' Soam Heng Choon, *Chief Executive Officer ("CEO") & Managing Director ("MD")*
4. Mr Lee Chun Fai, *Deputy CEO & Deputy MD*
5. Datuk Lee Teck Yuen, *Senior Independent Non-Executive Director*
6. Datuk Ir. Hamzah bin Hasan, *Independent Non-Executive Director*
7. Pushpanathan a/l S A Kanagarayar, *Independent Non-Executive Director*
8. Goh Tian Sui, *Independent Non-Executive Director*
9. Dato' David Frederick Wilson, *Non-Executive Director*
10. Ng Yoke Kian, *Company Secretary*

MEMBERS AND PROXIES PRESENT:-
98 members and 61 proxies (excluding Directors and Secretary)

BY INVITATION:-

1. Loh Lay Choon, *Partner, PricewaterhouseCoopers*

The Chairman welcomed all the members and proxies present at the meeting. He introduced the members of the Board of Directors ("Board"), the Company Secretary, the Auditors from PricewaterhouseCoopers ("PwC"), the Poll Administrator from Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") as well as the Independent Scrutineers from Deloitte Enterprise Risk Services Sdn Bhd ("Deloitte") who were in attendance.

It was noted that that the quorum of members was present and the Chairman called the meeting to order.

1.0 AUDITED FINANCIAL STATEMENTS

Before considering the 2016 Audited Financial Statements, the Chairman requested the CEO&MD to present to the meeting a brief on the Review of Group Performance and Prospects for the financial year ended 31 March 2016. The CEO&MD in his briefing covered the following:-

a) the Group's performance review, which included income statement, balance sheet and segmental performance;
b) the financial performance, project highlights and business review of all the divisions, namely Construction, Property, Industry, Infrastructure and Plantation;
c) corporate responsibility, covering marketplace, environment, community and workplace; and
d) key short term and long term strategies of the Group.

The CEO&MD also presented the responses (Annexure I) of the Company to questions raised by the Minority Shareholder Watchdog Group *vide* letter dated 19 August 2016 in relation to the strategies, financial performance and operational issues of the Group.

After the presentation of the CEO&MD, the Chairman invited questions and comments from the floor in connection with the 2016 Audited Financial Statements and the presentation, and the questions were responded to the Chairman, CEO&MD and/or CFO accordingly (Annexure II).

The audited financial statements for the year ended 31 March 2016, Directors' Report and Statement together with the Independent Auditors' Report thereon were received, following the completion of the clarifications to members in connection with the audited financial statements.

2.0 POLL VOTING

The Chairman informed that all the resolutions to be considered at the meeting would be put to vote by poll, as stated in Note 7 of the Notice of the AGM dated 29 July 2016.

3.0 RESOLUTIONS OF THE MEETING

3.1 Re-election of Directors

The Chairman informed that Resolutions 1, 2 and 3 were on the re-elections of Tan Sri Dato' Tan Boon Seng @ Krishnan ("Tan Sri Krishnan Tan"), Datuk Ir. Hamzah bin Hasan and Dato' Soam Heng Choon, who retired by rotation in accordance with Article 90 of the Company's Articles of Association. Being eligible for re-election, they offered themselves for re-election.

The Chairman also informed that Resolution 4 was on the re-election of Mr. Goh Tian Sui, who was appointed to the Board on 20 June 2016 and was retiring in accordance with Article 94 of the Company's Articles of Association. Being eligible for re-election, he offered himself for re-election.

3.2 Re-appointment of Directors

The Chairman further informed that Resolution 5 related to his re-appointment, while Resolution 6 was on the re-appointment of Dato' David Frederick Wilson, both of whom were retiring pursuant to Section 129 of the Companies Act, 1965. The two (2) resolutions required not less than three-fourth of the consent of members present and voting.

It was noted that save for Mr. Goh Tian Sui who was appointed to the Board after the financial year-end, the performance of each Director who was subject for re-election or re-appointment had been assessed through the Board annual evaluation, and the Nomination & Remuneration Committee ("NRC") and the Board were satisfied with the performance and effectiveness of the Directors.

3.3 Re-appointment of Auditors

The Resolution 7 related to the re-appointment of external Auditors. The Chairman informed that PwC had expressed their willingness to continue in office and the Board had endorsed the recommendation of the Audit Committee for PwC to be reappointed as Auditors.

3.4 Retention of Independent Non-Executive Director

The Chairman handed over the Chair to Tan Sri Krishnan Tan for Resolution 8 pertaining to the retention of the Chairman (Tan Sri Abdul Halim bin Ali ("Tan Sri Abdul Halim")), as an Independent Non-Executive Director ("INED"). It was noted that Resolution 8 was conditional upon the passing of Resolution 5.

Tan Sri Krishnan Tan took over the Chair and briefed the members and proxies present on the justifications for retaining Tan Sri Abdul Halim as an INED. Tan Sri Krishnan Tan informed that Tan Sri Abdul Halim had completed his 9-year tenure on 25 April 2016, and the Board had *vide* the NRC reviewed and assessed the performance and independence of Tan Sri Abdul Halim and was of the opinion that his length of service on the Board does not in any way interfere with his exercise of impartial and independent judgement. Tan Sri Abdul Halim continues exercising strong independent judgement, in expressing his views and deliberating issues objectively, besides seeking clarification and challenging Management on the conduct of the Group's business and other issues raised at various Board and Board Committee meetings. Moreover, the insight and knowledge of the Group's various core business operations acquired by Tan Sri Abdul Halim during his tenure of office would continue to enable him to discharge the duties and role as an Independent Director effectively. The Board appreciate the benefits of the experience and stability brought by Tan Sri Abdul Halim due to his long-service on the Board. As such, the Board would like to retain Tan Sri Abdul Halim as an INED and Chairman of the Company.

Upon completion of the briefing on the justification for Resolution 8, Tan Sri Krishnan Tan handed over the Chair back to the Chairman.

3.5 **Directors' Fees**

The Chairman informed that Resolution 9 was to authorise the payment of Directors' fees of RM928,000 for the year ended 31 March 2016 to be divided amongst the Directors in such manner as the Directors may determine.

3.6 **Authority to Issue Shares under Section 132D**

The Resolution 10 related to Authority to Issue Shares under Section 132D of the Companies Act, 1965. The Chairman informed that the Board wished to seek the approval of members and proxies present to renew the mandate to issue not more than 10% of the issued share capital of the Company for purposes of funding future investment projects, working capital and acquisitions and/or so forth. The approval was sought to provide flexibility and avoid any unnecessary delay and cost in convening a general meeting for such issuance of shares should the need arise.

The Company would make an announcement accordingly, of the actual purpose and utilisation of proceeds should there be a decision to issue new shares. The approval of the relevant authorities would be still required before any share could be issued by the Company.

3.7 **Proposed Renewal of Share Buy Back Authority**

The Chairman indicated that Resolution 11 was on the Proposed Renewal of Share Buy-Back Authority. The proposed renewal was to enable the Company to purchase its shares from Bursa Malaysia at prices which the Board views as favourable, so as to support its fundamental value, should the need arise. The Board was of the opinion the proposed renewal was in the best interest of the Company.

The Chairman invited questions and comments from the floor in connection with all the resolutions tabled at the AGM. As there were no further questions and/or clarification sought, the Chairman proceeded to the poll voting.

4.0 POLL PROCESS

Ms Lilian Low from Tricor was invited to explain the poll procedure to the members and/or proxies present. The member and/or proxies were advised to complete the poll slips which were provided to them during the registration, and drop the poll slips into the ballot boxes prepared by Tricor upon the completion of the casting of votes.

After the voting, the Chairman invited the members and proxies for refreshments while the votes were being counted and verified by Tricor and Deloitte respectively.

5.0 POLL RESULTS

The Chairman welcomed the members and proxies back to the meeting. Encik Megat Mohammad Faisal from Deloitte was invited to announce the results of the poll. Based on the poll results, the Chairman declared the following Resolutions 1 to 11 were carried:-

5.1 Re-election of Tan Sri Krishnan Tan as Director

Resolution 1	Number of Shares	%
Voted FOR	1,546,192,344	98.2860
Voted AGAINST	26,964,274	1.7140
	1,573,156,618	100.0000

(ABSTAINED: 648,484,718 shares)

It was resolved that Tan Sri Dato' Tan Boon Seng @ Krishnan be re-elected as Director pursuant to Article 90 of the Articles of Association.

5.2 Re-election of Datuk Ir. Hamzah bin Hasan as Director

Resolution 2	Number of Shares	%
Voted FOR	1,576,652,084	99.8451
Voted AGAINST	2,445,800	0.1549
	1,579,097,884	100.0000

(ABSTAINED: 642,543,452 shares)

It was resolved that Datuk Ir. Hamzah bin Hasan be re-elected as Director pursuant to Article 90 of the Articles of Association.

5.3 Re-election of Dato' Soam Heng Choon as Director

Resolution 3	Number of Shares	%
Voted FOR	1,567,978,222	99.2958
Voted AGAINST	11,120,662	0.7042
	1,579,098,884	100.0000

(ABSTAINED : 642,542,452 shares)

It was resolved that Dato' Soam Heng Choon be re-elected as Director pursuant to Article 90 of the Articles of Association.

5.4 Re-election of Mr. Goh Tian Sui as Director

Resolution 4	Number of Shares	%
Voted FOR	1,552,348,110	98.3060
Voted AGAINST	26,749,774	1.6940
	1,579,097,884	100.0000

(ABSTAINED : 642,543,452 shares)
It was resolved that Mr. Goh Tian Sui be re-elected as Director pursuant to Article 94 of the Articles of Association.

5.5 Re-appointment of Tan Sri Abdul Halim as Director

Resolution 5	Number of Shares	%
Voted FOR	1,486,821,396	94.1564
Voted AGAINST	92,276,800	5.8436
	1,579,098,196	100.0000

(ABSTAINED : 642,543,140 shares)

It was resolved that Tan Sri Abdul Halim bin Ali be reappointed as Director and shall continue in office until the conclusion of the next Annual General Meeting in compliance with Section 129(6) of the Companies Act, 1965.

5.6 Re-appointment of Dato' David Frederick Wilson as Director

Resolution 6	Number of Shares	%
Voted FOR	1,482,721,510	98.6665
Voted AGAINST	20,039,574	1.3335
	1,502,761,084	100.0000

(ABSTAINED : 718,880,252 shares)

It was resolved that Dato' David Frederick Wilson be reappointed as Director and shall continue in office until the conclusion of the next Annual General Meeting in compliance with Section 129(6) of the Companies Act, 1965.

5.7 Re-appointment of Auditors

Resolution 7	Number of Shares	%
Voted FOR	2,221,639,224	100.0000
Voted AGAINST	0	0.0000
	2,221,639,224	100.0000

(ABSTAINED : 2,112 shares)

It was resolved that PricewaterhouseCoopers be re-appointed as Auditors and that the Directors be authorised to fix their remuneration.

5.8 Retention of Independent Non-Executive Director

Resolution 8	Number of Shares	%
Voted FOR	1,320,854,696	83.6469
Voted AGAINST	258,229,500	16.3531
	1,579,084,196	100.0000

(ABSTAINED : 642,543,140 shares)

It was resolved that Tan Sri Abdul Halim bin Ali shall continue to serve as an Independent Non-Executive Director of the Company notwithstanding that his tenure as an independent director has exceeded a cumulative term of nine (9) years.

5.9 Directors' Fees

Resolution 9	Number of Shares	%
Voted FOR	2,215,676,194	99.9995
Voted AGAINST	11,764	0.0005
	2,215,687,958	100.0000

(ABSTAINED : 5,953,378 shares)

It was resolved that the Directors' fees of RM928,000 for the year ended 31 March 2016 be approved to be divided amongst the Directors in such manner as they may determine.

5.10 Authority to Issue Shares under Section 132D

Resolution 10	Number of Shares	%
Voted FOR	1,196,606,180	58.6649
Voted AGAINST	843,125,656	41.3351
	2,039,731,836	100.0000

(ABSTAINED : 181,895,500 shares)

It was resolved that the Directors be and are hereby authorised, pursuant to Section 132D of the Companies Act 1965, to allot and issue not more than ten percent (10%) of the issued share capital of the Company at any time, upon such terms and conditions and for such purposes as the Directors in their absolute discretion deem fit or in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force, and that the Directors be and are hereby further authorised to make or grant offers, agreements or options which would or might require shares to be issued after the expiration of the approval hereof.

5.11 Renewal of Share Buy-Back Authority

Resolution 11	Number of Shares	%
Voted FOR	2,221,633,824	99.9998
Voted AGAINST	5,000	0.0002
	2,221,638,824	100.0000

(ABSTAINED : 1,112 shares)

It was resolved that the Directors be and are hereby authorised to purchase the ordinary shares of the Company through the stock exchange of Bursa Malaysia Securities Berhad at any time upon such terms and conditions as the Directors in their absolute discretion deem fit provided that:-

i) the aggregate number of shares purchased (which are to be treated as treasury shares) does not exceed ten per cent (10%) of the issued capital of the Company; and

ii) the funds allocated for the purchase of shares shall not exceed its retained profits and share premium account;

and that the Directors be and are hereby further authorised to deal with the treasury shares in their absolute discretion (which may be distributed as dividends, resold and/or cancelled)

and that such authority shall continue to be in force until:-
a) the conclusion of the next Annual General Meeting ("AGM");
b) the expiration of the period within which the next AGM is required by law to be held; or
c) revoked or varied in a general meeting;
whichever occurs first.

6.0 TERMINATION

There being no other business, the meeting was terminated at 5.30 p.m. with a vote of thanks to the Chair.

Annexure I

Reply to the enquiries from Minority Shareholder Watchdog Group *vide* letter dated 19 August 2016

Strategy/Financials

(1) The Chairman's Statement reported that the Group's operating results for its core segments namely property and plantation recorded much declined pre-tax profits except for the Infrastructure segment.

Q1 : How sustainable is the Infrastructure Division's performance given that its pre-tax profits increased thirteen-fold mainly due to one-off gains from the disposal of the Group's 74% equity interest in Jaipur Mahua Tollway Private Ltd ("JMPL") and 70% equity interest in Swarna Tollway Private Ltd ("STPL")?

A1 : The Infrastructure Division's existing portfolio of concession assets is expected to continue to provide recurrent revenue streams and profitability. Whilst the heightened regulation on bauxite related activities will impact cargo throughput at Kuantan Port in the immediate future, the anticipated eventual clearing of bauxite stockpiles outside the Port area, supported by the construction of the New Deep Water Terminal and the development of Malaysia-China Kuantan Industrial Park ("MCKIP") is expected to contribute positively to the revenues and earnings of the Division going forward.

After the disposals of some of the Divisions toll concessions in India in FY2016, the Group, to further enhance the sustainability of the Division's performance, will continue to explore fresh and suitable investment opportunities in this sector, in line with the Group's long term strategy of creating shareholder value through the initial construction, maintenance and eventual monetisation of its concession assets at the right price.

Q2 : Amid the Group's 99.9% equity interest in Chilkaluripet-Vijayawada Tollway since May 2016, how long is the concession period, how profitable is this Tollway, and would the Board plan to dispose this Tollway in near future?

A2 : The Chilkaluripet-Vijayawada Tollway incurred a small loss in the financial year ended 31 March 2016 due to the commencement of amortisation post receipt of the completion certificate during the financial year. Whilst the concession is currently seeing encouraging traffic trends, the Group remains open to monetisation at the appropriate price.

The concession period ends in 2025.

Q3 : What are the Board's measures to uplift the performances of Besraya, NPE and LEKAS (a joint venture company) due to weaker traffic performance and escalating operating costs amid the Board's cost-effective measures by implementing the LED street-lights and the ETC system for improved efficiency in toll plaza management?

A3 : Traffic volume at Besraya and NPE continue to be resilient given the maturity of the urban corridors they serve respectively. Whilst traffic at LEKAS continues to be impacted by the widening toll rate disparity with North-South Expressway following the increase in toll rates, measures are being undertaken to enhance traffic volumes including improving signage postings, conducting various awareness campaigns and working with property developers to provide interchanges near major townships along the alignment.

The Group continues to implement disciplined cost controls through the use of energy saving technology such as LED street-lights and fully automated Electronic Toll Collection (ETC) systems which enhance road safety and is consistent with the Group's sustainability efforts.

Q4 : In what ways, the Construction Division plays its role and benefits from the development of the New Deep Water Terminal Project ("NDWT") Phase 1 with its partner, Guangxi Beibu amid the new Alliance Steel mill plant in MCKIP under construction? How much is the development contributing to the Group's revenue and earnings?

A4 : The construction of the NDWT undertaken by the Construction Division mainly includes reclamation and building of new berths, dredging works as well as building a section of the breakwater. However, the construction of the new Alliance Steel mill plant in MCKIP does not involve the Construction Division.

The construction of the NDWT and the development of MCKIP is expected to contribute positively to the revenue and earnings of the Group's Construction, Property, Industry and Infrastructure Divisions in the future. For the year ended 31 March 2016, revenue and earnings were recognised by the Construction Division to the extent of work completed on the RM1.2 billion project awarded for Phase 1 while the Industry Division derived revenue from the supply of piles and quarry products.

Q5 : What are benefits and opportunities accruing to the Group and the Infrastructure Division's port concession amid the regulation of the bauxite mining activities and the decrease in bauxite export performance?

A5 : Whilst Kuantan Port has adhered to high standards in the maintenance of its operating environs, heightened regulation on bauxite related activities, starting with the imposition of the current moratorium on bauxite mining from January 2016, had permitted Kuantan Port the opportunity to further improve on the maintenance of its roads and ground facilities thereby providing a better working environment for staff and other port users.

Although the moratorium on bauxite mining will have an adverse impact on cargo throughput, the existence and eventual clearing of approximately 4 million tons of stockpile outside the Port is expected to provide future revenue streams in the near term.

(2) The CEO's Review of Operations reported that the Property Division's pre-tax profits decreased 68% amid weak responses to its new launches for projects due to the soft market and dampened consumers' sentiment, property cooling measures and banks' stringent lending rules.

Q1 : What are the Board's plans and control of the Group's inventories of finished goods and completed buildings which rose up 68.1% to RM676.756 million from RM402.688 million last year?

A1 : The Property Division had adopted a more measured stance to launching new projects as it began to place greater emphasis on inventory and cash management since early FY2016. This is evidenced by the shift of new launches to mid-range landed products, fewer acquisitions of prominent land bank made in the past few years as well as the ramp up of sales and marketing initiatives that include attractive incentives to buyers of existing completed units.

Q2 : What are the Board's measures to boost the Property Division's performance and earnings amid slower economic growth, weakened Ringgit, impact of GST and low crude oil prices?

A2 : Despite the tougher market, reasonably priced homes are still in demand given the young demography of the country. As such, the Property Division has focused much of its efforts towards bridging the affordability gap by launching more mass market products, offering financing assistance to buyers such as flexible instalments schemes, working with banks and insurance companies to offer innovative solutions such as Home TIPS (Triple Insurance Protection Scheme) and engaging with property agents to broaden our market reach.

Q3 : What are the outlook and expected development values of the Division's on-going projects namely Phase 1, Royal Mint Gardens in London amid Phase 2 to be launched and Hui Hai International, an 8-storey retail & commercial complex in Xi'An Avenue in the People Square, Chongqing Road Commercial Area which the Board has planned to launch for the current year?

A3 : Phase 1 of Royal Mint Gardens, London, was launched in 2013 with an expected development value of GBP200 million. The project is substantially sold and currently under construction. Phase 2 is now under re-planning from a hotel cum residential block to a predominantly residential scheme.

Hui Hai International in Xi-An Avenue, with an expected development value of RMB781 million, is in the final stages of obtaining authority approvals before it will be launched.

(3) The Industry Division's Manufacturing & Quarrying did not show improved results as it faced with touch competition for its ready-mixed concrete, P.C. piles and other R.C. products, as well as reduced turnover in quarry business.

Q1 : Given that the piles division's order book is healthy, how does the Board see this Division's performance and earnings to improve with the commencement of the Pan Borneo Highway, the NDWT and the sand mining operations?

A1 : Prospects of the Industry Division are encouraging on the back of its healthy order book, bolstered by ongoing Government spending on infrastructure projects in Malaysia as well as projects undertaken by the IJM Group.

(4) The share of results of associates recorded profits to turn around from the previous year's losses.

Q1 : What is the status of Board's concession agreement re-negotiations for the Group's 20%-owned Grupo Concesionario del Oeste S.A. ("GCO"), a 21-year concession of the 56km Western Access Tollway in Buenos Aires, Argentina?

A1 : The concession agreement re-negotiations with the Argentinian Government are still on-going.

Q2 : In what ways would the Group's 20%-owned Gautami Power in India and 36%-owned Binh An Water Corporation Ltd in Vietnam contribute to regular and stable income streams until 2023 and 2019 respectively?

A2 : Whilst Binh An Water continues to be profitable, Gautami Power is currently constrained by the shortage of gas supply, which once stabilised, is expected to contribute regular income streams until the end of its concession period.

(5) Amid the lower than expected palm oil prices, crop production/productivity affected by the prolonged dry weather and labour shortage, does the Board see better or below expectations of the Plantation Division's performance?

For FY2017, subject to the extent of the lag-effect of the El-Nino experienced in the previous financial year, a marginal recovery of FFB production is expected for the Malaysian operations. FFB production for the Indonesian operations would be boosted by the larger area attaining maturity. Notwithstanding the expected increase in production volume, the performance of the Plantation Division would be largely determined by crude palm oil prices and foreign exchange rate movement in the financial year.

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Annexure II

Pertinent Questions and Answers at the Annual General Meeting

Q1 What strategies would the Board of Directors adopt to moderate the fluctuation in turnover and profit of the Group?

A1 The Group would look at its pain points and address the relevant concerns in order to improve its profitability to ensure that there is a steady stream of income. The Group also plans to venture more into recurring income businesses such as property investment and toll road concession, so to provide a steady income stream. The recurring income business will be able to mitigate the fluctuation in turnover and profit in view that most of the Group's businesses are cyclical in nature.

Q2 What was the cause for the decrease in net assets per share attributable to owners of the Company from RM5.62 as at 31 March 2015 to RM2.52 as at 31 March 2016?

A2 The decrease of the net assets per share was due to the implementation of the 1:1 bonus issue as additional shares were issued during the financial year ended 31 March 2016 ("FY 2016).

Q3 Has the Board adopted a consistent dividend payout ratio based on the profit after tax?

A3 The Board did not fix a dividend payout ratio. The dividend rates were decided after taking into consideration a number of factors including capital requirements of the Group. The Company had also paid special dividends in the past years due to extraordinary gains derived from monetisation of assets.

Q4 What is the breakeven CPO price for the Plantation Division?

A4 The current cost per metric tonne of CPO is slightly above RM1,500.

Q5 What are the Board's measures to reduce the Group's exposure to foreign exchange risk in view of its involvement in overseas projects?

A5 The Group could not use foreign exchange hedging to mitigate its exposure to foreign exchange risk as the Group is involved in long term investment. If possible, the Group would finance its overseas business through borrowings in the currency of the revenue that the business is deriving. As such, the amount taken up in the financial statements would only be the unrealised forex gain or loss.

Q6 Would the Group be participating in the Melaka Gateway development?

A6 The Group would consider all business opportunities available and weigh the risk and reward accordingly, including the Group's capacity and capability in undertaking the project. The Group will definitely review its position once the project is out for tender to see whether it will fit into the Group's requirements given that the Group still has a sizeable order book to be executed and land bank to be developed.

Q7 The revenue of the Group for the FY 2016 was dropped by 6%, while the profit before tax was up by 13%. The increase in profit was mainly due to the one-off gains from the disposal of equity interests in India toll operating companies as well as fair value gains on remeasurement of the remaining equity interests in the India toll operating companies. What would be the normalised profit of the Group without the one-off items?

A7 Without the one-off items, the Group's profit before tax was RM848.32 million for the FY 2016.

Q8 The clearing of land by the development of Sime Darby along the Seremban Highway and the opening up of the Bandar Ainsdale Interchange has exposed and made the "Seremban 2" signage more noticeable. What was the total cost incurred for the huge signage? Would the Group considering setting up Pokemon stops at sales galleries?

A8 The cost incurred for the signage was about RM400,000 and it has been charged out accordingly. The Bandar Ainsdale Interchange was conceptualised by the Group to provide direct access to the Seremban 2 development in addition to the existing Seremban Interchange. In relation to the suggestion on Pokemon stops, the Group had already set up Pokemon stops at its property sales gallery.

Q9 Does the Group has a strategic plan for the next three (3) to five (5) years under the present challenging economic environment?

A9 Yes, the Group has a strategic plan setting an overall business goals in order to be able to continue to grow and also to compete with its competitors. More specifically, the Group plans to explore more business opportunities in overseas such as China, India and Myanmar. The Group would also focus on execution as it has a sizeable construction order book such as the West Coast Expressway and other property projects.

The Group had also initiated the Blue Ocean Strategy (BOS) to make non-customer to be a customer and to explore other businesses where the Group could increase its revenue stream. Under the BOS, new initiative such as cattle raring in the plantation estates and generation of renewable energy within the operation areas for own use as well as for sale were being looked into.

Q10 The Group has been involved in the Malaysia-China Kuantan Industrial Park ("MCKIP") with regards to the construction and industrial in developing the MCKIP. Would the Group be able to generate other revenue stream from MCKIP?

A10 MCKIP is an initiative spearheaded by the Government of Malaysia ("GOM"). The GOM through the State Government of Pahang had initially injected about 1,400 acres of land as part of MCKIP. A Malaysian company holds 51% of the equity interest in MCKIP and the balance of 49% equity interest is held by a Chinese company. IJM Land Berhad ("IJML"), Sime Darby Property Berhad, Perbadanan Setiausaha Kerajaan Pahang and Perbadana Kemajuan Negeri Pahang hold 40%, 30%, 18% and 12% of the equity interests respectively in the Malaysian company. IJML would derive benefits from the development of MCKIP.

A total of about 700 acres of the land had been taken up by Alliance Steel (M) Sdn Bhd for setting-up an integrated steel mill, which is currently under construction. The steel mill will contribute about RM7 million tonnes of sustainable cargo to Kuantan Port. Chinese investors also interested to set-up a clay porcelain plant, a renewable energy plant and a concrete panel plant in MCKIP.

The GOM had subsequently agreed to inject another 1,000 acres of land for the development of MCKIP. IJML also owned a total of about 700 acres of land in Kuantan.

Q11 In relation to overseas ventures, what does the Group plan to do in the countries such as China and India?

A11 The various activities of the Group in overseas ventures were included in the earlier presentation slides presented by the CEO.

Q12 With reference to Note 32 of the Audited Financial Statements (Page 340 of the Annual Report 2016) on the share of net assets of associates, there was a substantial increase in the amount of unquoted shares (at cost) – outside Malaysia at the Group level from RM162.228 million in last financial year to RM427.924 million in FY 2016. Please clarify on the increase?

A12 The increase in the amount of unquoted shares of foreign associates was due to Jaipur-Mahua Tollway Private Limited and Swarna Tollway Private Limited, which were previously subsidiary companies, were reclassified to associates following the disposal of 74% and 70% equity interests respectively during FY 2016.

Q13 The equity interest of the Group in Scomi Group Berhad ("SGB") has gone up to 25% during FY 2016 as a result of the RM110 million bonds were automatically converted into new SGB shares upon maturity. What is the Board's plan with regards to the investment in SGB in view that the oil and gas sector has not been performing well? How much the Group has invested in SGB?

A13 The Group is holding a 24.5% equity interest in SGB as an investor and having a representation on the board of SGB. Given the challenges faced by the oil and gas business, the Group would review its position in SGB from time to time. The total investment in SGB is about RM151 million.