

**RESPONSES TO QUESTIONS RAISED DURING
MRCB'S 49TH AGM HELD ON 14 JULY 2020**

1. AGM Matters / door gifts / e-voucher

Questions	
1.	Will there be e-vouchers or e-wallet in replacement of door gifts for those who are attending the virtual AGM?
2.	I'd like to ask if you can reconsider & give us your loyal shareholders E-Vouchers or E-Wallet in REPLACEMENT of doorgifts. These are very HARD times for us FINANCIALLY & many including myself have suffered LOSS of Income due to the pandemic. I'm appealing to you Sirs to be COMPASSIONATE & KIND to your Shareholders. Pls do some CSR by giving us, who have taken the time & trouble to attend this RPV AGM good rewards. I'm sure a BIG group like yours can afford to give.
3.	Honourable Mr Chairman & Board of Directors, I'd like to ask if you can reconsider & give us your loyal shareholders E-Vouchers or E-Wallet in REPLACEMENT of doorgifts. These are very HARD times for us FINANCIALLY & many including myself have suffered LOSS of Income due to the pandemic. I'm appealing to you Sirs to be COMPASSIONATE & KIND to your Shareholders. Pls do some CSR by giving us, who have taken the time & trouble to attend this RPV AGM good rewards. I'm sure a BIG group like yours can afford to give. TQ!
4.	Mr.Chairman, we shareholders are spending money, time & immense effort participating in this RPV and it will be good CSR to reward us with Evouchers or Ewallets credits for our efforts. Thank you.
5.	HonourableMr Chairman & Board of Directors, Noted your notice but I'd like to STILL request that you reward your loyal shareholders E-Vouchers or E-Wallet in REPLACEMENT of doorgifts. These are very HARD times for us FINANCIALLY & many including myself have suffered LOSS of Income due to the pandemic. I'm appealing to you Sirs to be COMPASSIONATE & KIND to us. Pls do some CSR by giving us, who have taken the time & trouble to attend this RPV AGM some good rewards. I'm sure a big coy like yours can afford to give. TQ!
6.	U have already saved much on physical AGM expenses like rental of hotel, car parks for those attending, food packs & door gifts!!!! So why can't you be more generous and considerate towards your shareholders by giving us something??? We have taken the trouble and the time, (whole morning !!) to attend this RPV. And there are not many of us so the costs is so so TRIVIAL. U can afford to pay HUNDREDS OF THOUSANDS for Directors fees so why can't u just give us the RM 30 or RM50 ??? =(
7.	How much it cost you to hold this RPV versus that of last year's AGM meeting cost?
8.	What is the total cost saving in absolute RM term in conducting virtual AGM vs physical AGM?

9.	Good morning. I am Ms . LEE KY. You have all the businesses under the sun. Much diversifications. Please reward more of us as shareholders. TQ.
10.	Are directors get payment or fee for attend this virtual AGM & how much?
11.	Does the directors being paid any fees for attending this virtual AGM?
12.	How many is attending this virtual meeting, how much cost savings achieved with virtual meeting?
13.	What is the cost of holding virtual AGM? How much is the cost saving if any compare to physical AGM?
14.	How much does the company spend on this virtual AGM?
15.	When are you going to revert to physical AGM meeting?
16.	Please allow voting at beginning of meeting, as some other company allow this, it is to avoid problem of voting due to internet connection problem later on.
17.	kindly allow us to vote now - we have already written to SC to have electronic voting done at the start of the AGM. You are not following their directive.

Responses

- As advised in our Administrative Details dated 12 June 2020 circulated together with the Notice of the 49th AGM, no door gifts or e-vouchers will be given out for this AGM.
- The Company managed to save some costs mainly from the hall rental, hiring of AV equipment and refreshments for shareholders by holding the AGM virtually.
- The Company does not pay any allowances to Directors for attending the AGM.
- Article 59 of the Company's Constitution allows for the AGM to be held at more than one venue using any technology or method that allows the members to participate in the meeting. In addition, under Practice 12.3 of the Malaysian Code on Corporate Governance 2017, the Board should take proactive measures to ensure that shareholders are able to participate at General Meetings. In facilitating greater shareholder participation, a company may consider leveraging on technology to facilitate electronic voting and remote shareholder participation. The Company will assess the effectiveness of having a virtual vs. a physical AGM, and will also consider the feedback from all our stakeholders before deciding on the format of future AGMs.
- The Management is of the view that tabling the resolutions prior to opening the polls provides enough time for shareholders to make their decision before voting. There is no specific guideline from the Securities Commission ("SC") requiring a company to commence its voting session immediately upon the commencement of the AGM, as long as it complies with Clause 2.23, Part II of the Securities Commission's Guidance and FAQs on the Conduct of General Meetings for Listed Issuers, which state that "the online voting process must be able to allow members to cast their votes in time during the proceeding of the general meeting." The polls were opened for voting immediately after each resolution was tabled, which complies with this clause.

2. Impact of COVID-19

Questions	
1.	With the COVID-19 pandemic and the bad current economy, is MRCB undergoing any cost cutting and retrenching of its staff?
2.	Are you facing any cashflow pressures as a result of COVID-19?
3.	How did the COVID-19 pandemic impact your business? Are your construction sites operating back to normal? Did you encounter many COVID-19 cases amongst your foreign workers?
4.	The 1st Quarter results, which was not affected too much by COVID-19 MCO, was strong. What will the 2nd Quarter, which was during the MCO, look like?
5.	Does the Company anticipate issues with receivables, and if so, what plans are in place for this?
6.	During the latest Quarter report, it was stated that there is a significant interruption to the company top & bottom line due to the Movement Control Order (MCO). Since the loosening in CMCO & RMCO what degree of recover has the company made in terms of percentage for property sales & constructions.?
7.	In view of the Pandemic and since the company has been badly affected by the MCO, in which earnings are expected to be depressed, is the BOD going to layoff staff and/or cut salaries?
8.	Please retain only productive people instead of spending money retraining etc. MRCB is not a training school. This will drain the resources of the company. Also please cut benefits to the board as part of cost cutting. Dividend has gone down, door gifts has been scrapped, worse still share price has gone below rights issue price of RM0.79 in 2017. Not doubt share price is based on market forces but I believe it is also profit and return to investment based
9.	Lots of impressive presentation, but your profit returns attributable to shareholders have been declining badly over the last 5 years and your share price is at the very bottom. Investors would have lost much investing in your company. When are you expected to bring things to full fruition without blaming the poor market environment? How much have you deducted the net remunerations of your board members to reflect the decline in your returns to your shareholders?
Responses	
<ul style="list-style-type: none"> MRCB embarked on austerity and cost cutting measures quite early on, cutting corporate overheads wherever possible. All Senior Management have taken a temporary 30% salary cut and reductions in certain benefits/allowances, while employees above a certain grade level have also taken salary cuts and reduction of allowances. As with all other companies across most industries, MRCB is also not spared the negative impact from COVID-19 as activities at our project sites were halted. However, upon the implementation of the CMCO in mid May 2020, activities at our site started to resume, albeit at a slower pace. We are currently running at about 70% capacity, as a result of adhering to strict SOPs and protocols introduced by the Government. So whilst cashflow has been impacted by the lack of work and revenue recognition, now 	

that work has resumed, the pressure has abated. However, we will remain vigilant and cautious until there is more clarity about the situation, not just in Malaysia but globally, and the potential risks have subsided.

- The 2nd Quarter will definitely be impacted by the MCO as all activities at our sites were halted during that period. This will be same for all the other companies in our industry.
- MRCB will continue to observe the health and safety SOPs and protocols imposed by the Government. As of now, none of MRCB's foreign workers have been infected by COVID-19.

3. Property Development Projects

Questions	
1.	What is the value of property sold during the MCO and what is MRCB sales target?
2.	Based on company Annual report page 49, the sales of property achieve for Alstonia, TRIA, and St Regis are considerably low. What are the company projected sales up to date and what are the strategy to improve sales of these properties?
3.	What is the number of overhang units? How many are strata residential housing, strata commercial, landed property?
Responses	
<ul style="list-style-type: none"> • We are marketing more aggressively overseas, and since the lifting of restrictions have built up bookings to almost RM80mn on top of the RM60mn of sales already achieved. • We employ several strategies targeted towards both the local and overseas markets, which include adopting various sales and promotional schemes, such as the 'Stay and Own' scheme, 'Full Furnishing Package' scheme and participation in the 'Home Ownership Campaign' or HOC to reduce the buyers' cost on stamp duty. We also continuously work towards expanding our network of real estate agents and, where possible, target bulk sales or underwriting sales. • The value of completed and unsold properties as at 1QFY2020 is RM552 million, of which a large percentage is strata residential housing. This value also includes units from our 1060 Carnegie development project in Melbourne. While it has achieved sales of up to 88%, unlike our other developments where only remaining completed and unsold units are recorded as inventory, for 1060 Carnegie all completed units are recorded as inventory until financial settlement with buyers is completed. • For further details on our Property development projects, please refer to the Group Managing Director's presentation. 	

4. Major Infrastructure / Construction Projects

Questions	
1.	There is a realignment for major Government projects such as KL-Singapore HSR project, etc. May I know if there are any additional costs that will be incurred by MRCB or if there will be any disruption to the company since there is constant review by previous and current government?
2.	Given the Government announcement to continue with a few major Infrastructure projects (for example ECRL, MRT, LRT, HSR, Bandar Malaysia, Penang Master Plan), is MRCB related or involved in any of these projects? Or has the company tendered for any project which is awaiting results? If yes what is the tender value?
3.	Can you share what's the construction outlook in Malaysia? Are you seeing government jobs coming in as economic pump priming that MRCB could benefit
4.	What is your outlook on the construction sector? Do you think the government has little choice but to pump prime projects given the moderating benefits from further interest rate cuts?
5.	When is the expected completion date of PR1MA brickfields project?
6.	The PR1MA Brickfields project, when will it be completed?
Responses	
<ul style="list-style-type: none"> • While the HSR project was never cancelled and MRCB remains the project delivery partner for the northern section of the project, there were works or costs incurred prior to the decision to halt the project. As such, any realignment plans will have no impact to MRCB. • So far, no tenders have been called for other major infrastructure projects that were put on hold. However, MRCB has always expressed its interest in bidding for these and any other infrastructure-related projects. • In general, we believe that there will be a need for infrastructure projects to be deployed by the Government for the development of the country. Being one of the largest infrastructure development construction companies, we are ready to tender for such projects when the opportunity presents itself. • On the PR1MA Brickfields project, the MCO restrictions has impacted its progress and we are currently discussing with the Government for a possible completion by Q3 2022. • For further details on our construction projects, please refer to the Group Managing Director's presentation. 	

5. Future Prospects

Questions	
1.	What is the future prospect of the company?
2.	How will MRCB cope with the new normal to launch units that are suitable for the current situation? At the same time, based on MRCB's current construction order book figure, what strategies are being undertaken to increase it? Will MRCB venture into overseas construction projects?
3.	What is Company's projected profit for the coming year?
4.	With MRCB orderbook & unbilled sales that crosses RM 20 billion, what is the estimated realization of this amount for the next Financial Year?
Responses	
<ul style="list-style-type: none"> MRCB's construction order book and our unbilled Property sales are both quite comfortable, but revenue recognition is always dependent on construction progress. MRCB will continue to tender for new projects to replenish jobs and will continue to target the larger infrastructure development projects, as the barriers to entry are higher, and therefore the competition relatively lower. MRCB has and will continue to explore digital marketing platforms to boost property sales by collaborating with Lazada, Property Guru and iHome Malaysia. As of now, MRCB has no intention to venture into overseas construction projects but is focusing on further expanding our property division into foreign markets. For further details on our strategies, please refer to the Group Managing Director's presentation. 	

6. MRCB Building System (MBS)

Question	
1.	With MBS system, how much construction time can be reduced compared to conventional high rise constructions?
Response	
<ul style="list-style-type: none"> With the MBS, up to 90% of the construction can be undertaken offsite, as modules are manufactured offsite with all immovable fixtures and fittings fully installed and pre-finished (floor finishes, tiling, ceilings, electrical points, lighting, plumbing, fitted cupboards, kitchens, sanitary ware, etc.) Since MBS also allows site development and building fabrication to be done concurrently with the module construction and manufacturing, construction time can be reduced by 30% - 50%. For further details on the MRCB Building System, please refer to the Group Managing Director's presentation. 	

7. Bukit Jalil Casting Yard

Question	
1.	Where is the exact location of the Bukit Jalil Casting Yard? Nothing is visible from the highway or roads?
Response	
<ul style="list-style-type: none">The Bukit Jalil Casting Yard is located next to the Stadium Hoki Bukit Jalil on the left side of the Shah Alam Highway (KESAS Highway) heading towards Shah Alam. Therefore, it is not visible from the highway or other access roads.	

8. Dividend

Questions	
1.	Hope to get more Dividends from MRCB after a long time
2.	WHY DIVIDEND % REDUCED
3.	For FY2018, the dividend was 1.75 sen while for FY2019 it was 1 sen. Looking at the current COVID-19 situation, how will 2020 dividend look like, or is it too early to tell?
4.	Will the company pay more dividend for 2020 compare to 2019?
Responses	
<ul style="list-style-type: none">During 2018, the Company disposed 2 pieces of land located in Jalan Kia Peng and Penang. In the absence of a one-off gain in 2019, the Company was unable to declare a higher dividend. With the declaration of 1.00 sen per share, the total payout to shareholders amounts to RM44 million, which is more than the net profit attributable to shareholders of RM23.5 million. This is well above our Dividend Policy to pay 20% of core net profits, despite the lack of revenue and profit recognition in 2019 due to our large projects still being in the early phases of construction in that year. However, with unbilled sales of RM1.6 billion at the end of last year, that recognition will improve as construction of these projects progresses.It is too soon to determine dividends for 2020 given we are still only just past mid-way through the trading year and the uncertainties as a result of the COVID-19 pandemic being far from over.	

9. Share Price Performance / Shareholding / Share Buyback

Questions	
1.	Will the company do a share buyback at this moment?
2.	Why the price of MRCB so low compare to other shares price? The company must put some effort to push up the price? What is the future prospect of the company?
3.	When MRCB will back to my cost price of RM2?
4.	Property prices are expensive but the share price for property counter is low and does not make sense. I would like the board to comment on this.
5.	On page 101 or Annual Report 2019, both senior management Mr Amarjit and Cheah disposed all of their shares, balance of shares as at 31.12.2019 is 0. Are they losing confidence in the company? Or they have bought back some shares in 2020
Responses	
<ul style="list-style-type: none"> • As of now, we only seek the renewal for the mandate on share buyback from the shareholders. The Company will consider to purchase its own shares at the appropriate time. • As at 14 July 2020, MRCB's share price performance has been largely in line with other companies within the property and construction sectors, in which MRCB's share price has declined 25.3% since January 2020, compared to its peers that have declined anywhere between 11.5% and 45.7%. • There is little to no direct or causal relationship between property prices and share prices. • MRCB cannot comment on the disposal of shares by Senior Management as this is their own personal prerogative and there may be many personal factors behind their decision to do so. 	

10. Dividend Reinvestment Plan (DRP)

Questions	
1.	Will the company absorb stamp duty for DRP? Since it's not viable for small shareholders to pick DRP over cash dividend.
2.	Why does the company want to propose a dividend reinvestment plan? What is the advantage to shareholders? And will it improve the share price?
Responses	
<ul style="list-style-type: none">• The DRP provides shareholders with an option to elect to reinvest in whole or in part, their dividend in new shares instead of receiving cash. Shareholders who wish to receive their dividend wholly in cash need not take any action. The Issue Price, which will be determined by the Board on the Price-Fixing Date, shall be at a discount of not more than 10% to the five (5)-day of Volume Weighted Average Market Price ("VWAMP") of MRCB Shares immediately prior to the Price-Fixing Date.• The new shares will be issued free of brokerage fees and other related transaction costs to shareholders who wish to exercise the Reinvestment Option, unless otherwise provided by any statute, law or regulation. However, a stamp duty of RM10.00 will have to be paid by the shareholder on each dividend reinvestment form submitted.	

11. Miscellaneous

Questions	
1.	I would like to request a hard copy of the company's annual report. Thank you.
2.	Please send hardcopy of annual report, circulars and admin note to my addressed registered with my broker as I recalled I have requested but not received until now. Thank you.
3.	Please comment on authenticity of Dato Seri Najib's posting that "Pak Kadir akhirnya mengaku bahawa dia pernah menjadi proksi untuk menjadi antara pemegang saham utama syarikat MRCB dari tahun 1993 hingga ke tahun 2000." Is this true? Anyone else are the major shareholders of MRCB via proxy today but not clearly mentioned as your top shareholders in your annual report?
4.	My dad Tan Teng Chee cds [redacted] N mum Cds [redacted]. Both still not received their id n password Please send urgent
5.	Cannot see any meeting and sound.
6.	I am unable to see or hear anything. Is there a technical glitch at this point in time?
Responses	
	<ul style="list-style-type: none"> • We have arranged with Boardroom to send the Integrated Annual Report to you. • We apologise for any technical difficulties that may have been experienced during the AGM and have referred to our service provider, Lumi AGM, for their further action. • There was no technical glitch reported by any other shareholders, so this suggests the problem may be due to the bandwidth and internet connectivity in the shareholder's location. • With regards to proxies, to our knowledge none of our major shareholders act as proxies to other individuals.