

SUNWAY BERHAD

(Company No. 921551-D)
(Incorporated in Malaysia)

MINUTES OF THE EIGHTH ANNUAL GENERAL MEETING OF SUNWAY BERHAD HELD AT GRAND CAYMANS, LEVEL 10, SUNWAY RESORT HOTEL & SPA, PERSIARAN LAGOON, BANDAR SUNWAY, 47500 SUBANG JAYA, SELANGOR DARUL EHSAN ON THURSDAY, 21 JUNE 2018 AT 3.00 P.M.

PRESENT : **Board of Directors:**
Dato' Sri Idris Jala (*Chairman*)
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling AO
Tan Sri Datuk Seri Razman M Hashim
Tan Sri Dato' Dr Lin See Yan
Tan Sri Datuk Dr Rebecca Fatima Sta Maria
Dato' Chew Chee Kin
Wong Chin Mun
Lim Swe Guan
Sarena Cheah Yean Tih

**SHAREHOLDERS/
PROXIES/GUESTS** : As per Attendance Lists

IN ATTENDANCE : Tan Kim Aun (*Company Secretary*)

BY INVITATION Chong Chang Choong (*Chief Financial Officer*)
Philip Koh (*Mah-Kamariyah & Philip Koh*)
BDO (*External Auditors*)
BDO Governance Advisory Sdn Bhd (*Independent Scrutineer*)

OPENING ADDRESS

Dato' Sri Chairman called the Meeting to order at 3.00 p.m. and welcomed all members present at the Meeting.

He also highlighted certain key ground rules for the conduct of the Meeting.

CONFIRMATION OF QUORUM

Upon enquiry from Tan Sri Chairman, the Secretary confirmed that there was sufficient quorum for the convening of the Meeting.

CONFIRMATION OF PROXIES

Upon enquiry from Dato' Sri Chairman, the Secretary reported that up to 20 June 2018 at 3.00 pm, the Company had received a total of 3,285,741,487 ordinary shares represented by proxies and a total of 607,970,326 ordinary shares appointing Dato' Sri Chairman as proxy.

CONFIRMATION OF NOTICE SENT

Upon enquiry from Dato' Sri Chairman, the Secretary confirmed that the notice convening the Meeting had been duly sent to all members and with the permission of the members, it was taken as read.

Dato' Sri Chairman informed that all motions tabled at the Meeting, would be voted by poll using electronic means. BDO Governance Advisory Sdn Bhd was appointed as the Independent Scrutineers for the polling exercise. Dato' Sri Chairman informed that the e-polling system had been thoroughly tested and proven reliable by BDO Governance Advisory Sdn Bhd. He then invited Ms Joey Wong from the Share Registrar to brief the members on the electronic polling procedures.

1.0 AUDITED FINANCIAL STATEMENTS, DIRECTORS' AND AUDITORS' REPORTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

The Audited Financial Statements, Directors' and Auditors' Reports for the financial year ended 31 December 2017 were tabled for discussion.

Dato' Sri Chairman invited Ms Mandy Lim, the Manager-Corporate Finance to address the queries raised by the Minority Shareholder Watchdog Group ("**MSWG**") vide its letter dated 6 June 2018. The queries raised by MSWG together with the Company's responses were then presented for the information of the members as follows:-

a) Strategy/Financials

Q1 Healthcare Division

Query **Potential moves by the government such as the implementation of the bundling concept to address the rising cost of private healthcare and the Voluntary Health Insurance could make healthcare more accessible to the masses. Increasing interest in healthcare and wellness has propelled the Healthcare division to be one of the strongest growing businesses in the Group. Sunway Medical will be embarking on a trajectory of growth and expansion to meet the needs of the market (page 75 of the Annual Report 2017).**

What are the competitive advantages that the business division has over its peers in the market?

Answer As one of the largest tertiary hospitals in Malaysia with a 620-bed capacity, Sunway Medical Centre ("**SunMed**") covers a diverse range of medical specialties and is supported by a strong network of medical consultants comprising some of the most reputable specialists in the country. The division also invests in state-of-the-art technologies and pioneers in advanced healthcare technology such as the Leksell Gamma Knife Icon, the first to be offered in Southeast Asia for the treatment of brain tumours and other functional brain disorders.

SunMed is recognised both locally and abroad as a provider of high quality medical care and for excellence in clinical standards as evidenced by the accreditation awarded by the Australian Council of Healthcare Standards (ACHS). The hospital continues to see growth in international patients, supported by the strong 'Sunway' brand. Located strategically in one of the top tourism destinations – Sunway City, the hospital is within close proximity to shopping malls, hotels, universities and a theme park. The appeal to medical tourists has afforded SunMed international recognition as the Top Medical Tourism Hospital in Asia Pacific 2018 at the Global Health & Travel Award, on par with joint winner Bumrungrad Hospital, Thailand. SunMed was also International Hospital of the Year for two consecutive years at the International Medical Travel Journal Awards.

In the area of clinical development and research, SunMed was appointed as the Regional Site Partner of University of Cambridge School of Clinical Medicine, the first Cambridge-linked collaboration of this nature in the world. SunMed has also established a collaboration with Royal Papworth Hospital for research and clinical service development in heart and lung diseases.

Operationally, the target market of SunMed is the middle and upper middle income groups which are the growing segments of the population. Approximately 75% of patients use medical insurance plans to pay for their healthcare needs and it is anticipated that more of this market will be covered by insurance in the future, which augurs well for the division moving forward.

Q2 Trading and Manufacturing Division (page 67 of the Annual Report 2017)

Query a) **The division also focused on increasing production and sales of its in-house products and expanding its network through cross-selling. In China, the division invested in new machinery to increase its production of fittings, and intensified efforts to localise its production of DCF heavy equipment parts to enable the division to reduce overall costs and increase its competitiveness in the China market.**

- (i) **What costs are expected to be reduced in FY2018?**
- (ii) **What type of new machineries have been selected for investment and what is the estimated capital expenditure?**
- (iii) **What is the current market share of the Division's business in China? Please brief on the competitive business landscape in China.**

Answer a) (i) In 2018, the division will continue its efforts to localise production of DCF heavy equipment parts. This will enable the division to reduce costs such as import duties, sea freight and handling charges.

(ii) The division invested in Numerical Control (NC) machines, an automated line, as well as robotic hand systems, to replace old machines and improve the overall production efficiency for its fittings. The division also invested in new machinery for the production of its track links locally. Total capital expenditure was approximately RM8 million.

(iii) The division's current market share in China is relatively small as Sunway is a niche player in the market. The size of the China market, however, coupled with China's continuing growth and strong performance, enhances the growth prospects for countries in Asia. Industrial production growth has also been picking up and infrastructure investment is expected to remain strong. These present opportunities for the division to expand its market share in China.

Query **b) In order to remain competitive and to uphold the Division's reputation as a one-stop centre for high quality products, Sunway continues to source globally for new products and agency lines and intensify its Research and Development (R&D) initiatives to develop in-house proprietary brands.**

(i) How much had been spent on R&D in FY2017 and what will be the budgeted figure for R&D in FY2018? Are the budgeted figures set against a certain targeted percentage of revenue or some other criteria?

(ii) Have any in-house proprietary brands been developed todate?

Answer **b) (i) The Trading and Manufacturing division's R&D initiatives are project-specific. The amount spent on R&D in 2017 was approximately RM1 million. The amount to be spent on R&D in 2018 is expected to range between RM1-2 million. The budgeted figures are not set against any specific criteria.**

(ii) Over the years, the Division has successfully developed a series of fine quality in-house brands, to further complement its existing agency lines. Amongst the in-house brands are Sunflex and TotalRubber hoses and fittings, and Suntrak undercarriage parts. Sunway Winstar, a new addition to the division since 2015, has several in-house labels, such as Nietz hand tools and abrasive, Sobar safety shoes, Winsir household and gardening tools, and Galaxy spray paint and waterproofing.

Sunway Winstar has also recently developed 'N10', a new multi-purpose lubricant under the Nietz brand.

Q3 Property Development Division (page 53 of the Annual Report 2017)

Query **(a) Currently, there is a total of 3,305 acres of landbank (refer to page 46 of the Annual Report 2017). How long is this landbank expected to last?**

(b) Please brief on The SUN Certainty+ financing campaign, which will feature low down payment, cash rewards, guaranteed loan from Sunway, etc. to help new homeowners.

Answer **(a) The total landbank of 3,305 acres as at 31 December 2017 is expected to last us for the next 15 to 20 years.**

(b) 'Under The SUN Certainty+' is the Property Development division's marketing campaign for the year which features various promotions that help new homeowners own a Sunway property. Depending on the respective participating projects, the purchaser can enjoy benefits such as the Guaranteed Loan, Low Down Payment, Differential Sum Instalment and Voluntary Exit Plan.

The most unique feature of the campaign is the Guaranteed Loan, which is a plan in which property buyers pay a down payment and Sunway will provide a guaranteed loan for the remaining purchase price of the property upon completion. Interest rate for the loan will be at a fixed rate.

Q4) Property Investment & Real Estate Investment Trust Division (page 55 of the Annual Report 2017)

Query (a) **Have the current occupancy rates increased or decreased for the Group's properties compared to last year?**

(b) **Todate, what actions have been taken by the Division to overcome the challenges facing the industry across the Klang Valley?**

Answer (a) Overall, the occupancy rates for the Group's properties have remained stable compared to last year. New properties within the Group have also registered strong occupancy rates. Sunway Velocity Mall, for example, recorded an occupancy rate of 98% as at 31 December 2017, whilst Sunway GEO Tower, a new 17-storey office tower in Sunway City completed in early 2017, has been 100% leased to major international tenants.

(b) Sunway constantly reviews the relevance and attractiveness of its properties to ensure continuously high occupancy rates and footfall. The strategic location of the Group's properties within its integrated township adds to the appeal of its properties, due to the enhanced connectivity and surrounding amenities. Sunway is able to leverage on this integration for the synergistic packaging of its products and services.

For its retail portfolio, Sunway has modelled its malls as lifestyle malls to give shoppers an immersive experience. The reinvention and positioning as a unique lifestyle destination with a breadth of retail and F&B offerings provides a strong edge against competition from other malls. The division also actively monitors the latest retail trends and revamps its tenant mix to cater to the needs of consumers. This includes introducing new notable brands and flagship stores within its malls.

In the office segment, the Sunway team prioritises the tenants' needs, such as energy saving initiatives, safety requirements, and customisable floor plans. Other than ensuring that Sunway's office towers are MSC-certified, Sunway is also committed to improving the way its communities live, learn, work and play via the implementation of digital solutions and innovative initiatives within the township. These initiatives, coupled with competitive rental rates, support the occupancy rates at Sunway's offices.

Q5 What are the reasons for the increase in other expenses by approximately 36% from RM267,184,000 in FY 2016 to RM364,301,000 in FY2017 (page 159 of the Annual Report 2017). Please explain.

Answer The increase in Other Expenses in FY 2017 was mainly due to the following items:

- (a) There was an increase of RM33 million in staff cost due to the expansion of business operations in Sunway Medical Centre and the Construction division.
- (b) There was an increase in rental expenses by RM16 million due to higher rental for Sunway Pyramid Hotel which was re-opened in 2017 following a refurbishment exercise in 2016. The hotel rental is charged on a predetermined formula based on revenue and gross operating profit.
- (c) There was an RM18 million impairment loss for the BRT Park N' Ride facilities in 2017 compared to RM8 million impairment loss in 2016.
- (d) There was an RM8 million provision on one of the development projects pending finalisation of the legal case.
- (e) There was an increase of RM19 million, of which RM14 million is arising from realised foreign exchange loss of RM20 million in 2017 compared to RM6 million in 2016, and the remaining RM5 million from fair value loss on investment properties of RM15 million in 2017 compared to RM10 million in 2016. However, these losses are offset by the fair value gain of RM35 million and realised foreign exchange gains of RM22 million in 2017 which are disclosed as Other Income as per the accounting standard.

Corporate Governance Matter

Step Up 4.3

The Company in its Corporate Governance Report has stated that it has adopted Step Up 4.3 of MCCG. However, in the explanation column on the application of Step Up 4.3, it was stated that "if the Board intends to retain an Independent Director beyond nine (9) years, it should justify and seek annual shareholders' approval. If the Board continues to retain the Independent Director after the twelfth (12th) year, annual shareholders' approval must be sought through two-tier voting process as stipulated in the 2017 edition Malaysian Code of Corporate Governance". This is contrary to Step Up 4.3 which does not provide for any extension of tenure beyond the 9-year tenure of INEDs.

Please take note of this

Answer The MSWG's comments were noted by the Board.

Dato' Sri Chairman then opened the floor for further questions. Since there were no further queries, the Meeting proceeded to the next agenda.

2.0 ORDINARY RESOLUTION NO. 1

• Payment of Directors' Fees

Based on the members and proxies who were present and voted, the resolution was duly passed with 3,287,836,279 ordinary shares (99.9944%) voted for the resolution and 183,557 ordinary shares (0.0056%) voted against the resolution.

It was hereby RESOLVED THAT the payment of Directors' fees amounting to RM636,041.10 for the financial year ended 31 December 2017 be hereby approved.

3.0 ORDINARY RESOLUTION NO. 2

• Payment of benefits payable to Non-Executive Directors

Based on the members and proxies who were present and voted, the resolution was duly passed with 3,288,207,704 ordinary shares (99.9958%) voted for the resolution and 137,278 ordinary shares (0.0042%) voted against the resolution.

It was hereby RESOLVED THAT the payment of benefits payable to Non-Executive Directors of up to an amount of RM600,000.00 from 1 January 2018 until the conclusion of the next Annual General Meeting of the Company be hereby approved.

4.0 ORDINARY RESOLUTION NOS. 3 TO 6

• Re-election of retiring Directors

In accordance with the Company's Articles of Association, the following Directors retired by rotation and being eligible, had offered themselves for re-election:

- a) Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling and Mr Lim Swe Guan retired by rotation pursuant to Article 107 of the Company's Articles of Association; and
- b) Dato' Sri Idris Jala and Tan Sri Datuk Dr Rebecca Fatima Sta Maria retired by rotation pursuant to Article 90 of the Company's Articles of Association.

Due to other commitments, Datuk Seri Michael Yam had informed the Board in writing of his intention to retire as an Independent Non-Executive Director and did not seek re-election at the Meeting. His term of office would end at the conclusion of the Meeting.

Dato' Sri Chairman informed that the Nomination Committee had assessed the performance of the retiring Directors who were seeking re-election, and had recommended them for re-election as Directors of the Company. They had demonstrated that they were committed to their roles as Directors and would continue to be effective and valuable members of the Board.

ORDINARY RESOLUTION NO. 3

Based on the members and proxies who were present and voted, the resolution was duly passed with 2,882,441,955 ordinary shares (96.9401%) voted for the resolution and 90,984,347 ordinary shares (3.0599%) voted against the resolution.

It was hereby RESOLVED THAT Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling be hereby re-appointed as a Director of the Company.

ORDINARY RESOLUTION NO. 4

Based on the members and proxies who were present and voted, the resolution was duly passed with 3,173,901,160 ordinary shares (98.2087%) voted for the resolution and 57,891,176 ordinary shares (1.7913%) voted against the resolution.

It was hereby RESOLVED THAT Mr Lim Swe Guan be hereby re-appointed as a Director of the Company.

Dato' Sri Chairman then handed over the chairmanship to Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, the Executive Chairman, to preside over Ordinary Resolution No. 5 as Dato' Sri Chairman was an interested party.

ORDINARY RESOLUTION NO. 5

Based on the members and proxies who were present and voted, the resolution was duly passed with 3,166,243,553 ordinary shares (97.9722%) voted for the resolution and 65,532,794 ordinary shares (2.0278%) voted against the resolution.

It was hereby RESOLVED THAT Dato' Sri Idris Jala be hereby re-appointed as a Director of the Company.

Tan Sri Dato' Seri Dr Jeffrey Cheah then handed back the chairmanship to Dato' Sri Chairman.

ORDINARY RESOLUTION NO. 6

Based on the members and proxies who were present and voted, the resolution was duly passed with 3,222,185,799 ordinary shares (99.7093%) voted for the resolution and 9,392,952 ordinary shares (0.2907%) voted against the resolution.

It was hereby RESOLVED THAT Tan Sri Datuk Dr Rebecca Fatima Sta Maria be hereby re-appointed as a Director of the Company.

5.0 ORDINARY RESOLUTION NO. 7

• Re-appointment of Messrs BDO as Auditors

Based on the members and proxies who were present and voted, the resolution was duly passed with 3,287,923,826 ordinary shares (99.9880%) voted for the resolution and 395,902 ordinary shares (0.0120%) voted against the resolution.

It was hereby RESOLVED THAT Messrs BDO, having indicated their willingness to continue in office, be hereby re-appointed as Auditors of the Company for the ensuing year until the next Annual General Meeting at a remuneration to be fixed by the Directors.

6.0 ORDINARY RESOLUTION NO. 8

• Authority to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016

Based on the members and proxies who were present and voted, the resolution was duly passed with 3,225,495,262 ordinary shares (98.0984%) voted for the resolution and 62,526,174 ordinary shares (1.9016%) voted against the resolution.

It was hereby RESOLVED THAT subject always to the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company's Articles of Association/Constitution and the approvals of the relevant government and/or regulatory authorities, the Directors be hereby empowered pursuant to Sections 75 and 76 of the Companies Act 2016 to issue and allot new shares in the Company at any time at such price, upon such terms and conditions, for such purposes and to such person(s) whomsoever as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares issued pursuant to this resolution did not exceed 10% of the total number of issued shares of the Company for the time being and THAT the Directors be also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

7.0 ORDINARY RESOLUTION 9

• Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

Dato' Sri Chairman informed that the Board wished to seek the shareholders' mandate for the Company and its subsidiaries to enter into the categories of recurrent related party transactions with the classes of related parties, as set out in Part A of the Circular to Shareholders dated 30 April 2018. The transactions would be of a revenue or trading nature necessary for the day-to-day operations and would be made at arm's length basis, on normal commercial terms and on terms not more favourable to the related parties than those generally available to the public and were not detrimental to the minority shareholders of the Company.

Disclosure would be made in the annual report of the Company of the aggregate value of recurrent related party transactions conducted pursuant to the mandate during the current financial year.

He then opened the floor for questions. As there were no queries raised, he proceeded with the voting process.

Based on the members and proxies who were present and voted, the resolution was duly passed with 876,449,492 ordinary shares (99.9607%) voted for the resolution and 344,202 ordinary shares (0.0393%) voted against the resolution.

It was hereby RESOLVED:-

- (I) THAT approval be hereby given to the Company and its subsidiaries to enter into recurrent related party transactions from time to time, which are necessary for the day-to-day operations as set out in Section 2D of the Circular to Shareholders dated 30 April 2018 which are of a revenue or trading nature and carried out in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company, subject to the compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, Companies Act 2016 ("**the Act**"), the Company's Memorandum and Articles of Association/Constitution and all other applicable laws, guidelines, rules and regulations.
- (II) THAT such authority shall commence upon the passing of this resolution and shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting (“**AGM**”) of the Company at which time the mandate would lapse, unless by a resolution passed at the next AGM, the mandate is renewed; or
- (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

(III) THAT authority be hereby given to the Directors of the Company to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.

8.0 ORDINARY RESOLUTION NO. 10

• Proposed Renewal of Share Buy-Back Authority

Dato’ Sri Chairman informed that the proposed renewal of share buy-back authority would enable the Company to utilise its financial resources not immediately required for use, to purchase its own shares in the manner as set out in the Share Buy-Back Statement as contained in Part B of the Circular to Shareholders dated 30 April 2018. This might enhance the earnings per share and reduce the liquidity level of the shares in Bursa Malaysia Securities Berhad, which generally would have a positive impact on the market price of the shares

He then opened the floor for questions.

The salient enquiries and comments made by the members and proxies as well as responses from the Board and Management were as follows:-

No.	Comments/Questions	Responses
1.	Whether the Company had bought or would be buying back its shares in view of the declining stock market since the change of Government and other factors?	Generally, the stock market was going through a period of bearishness. However, the Board remained positive that the stock market would recover over time.
2.	The share price of the Company had declined.	The stock market had its ups and downs. Investors should look at the long term fundamentals of the Company and its strong financial position.

Based on the members and proxies who were present and voted, the resolution was duly passed with 2,680,644,417 ordinary shares (99.9991%) voted for the resolution and 25,013 ordinary shares (0.0009%) voted against the resolution.

It was hereby RESOLVED:-

- (I) THAT subject to the Companies Act 2016 (“**the Act**”), rules, regulations and orders made pursuant to the Act, provisions of the Company’s Memorandum and Articles of Association/Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and any other relevant authorities, the Company be hereby authorised to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company PROVIDED THAT:-
- (a) the aggregate number of ordinary shares in the Company (“**Sunway Shares**”) which might be purchased and/or held by the Company shall not exceed 10% of the total number of issued shares of the Company at any point of time, subject to a restriction that the share capital of the Company did not fall below the applicable minimum share capital requirements of the Main Market Listing Requirements of Bursa Securities;
 - (b) the maximum funds to be allocated by the Company for the purpose of purchasing the Sunway Shares shall not exceed the Company’s retained profits at any point of time;
 - (c) the authority conferred by this resolution would commence immediately upon passing of this Ordinary Resolution and would continue to be in force until:-
 - (i) the conclusion of the next Annual General Meeting (“**AGM**”) at which time it shall lapse unless by Ordinary Resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
 - (iii) revoked or varied by Ordinary Resolution passed by the shareholders of the Company in a general meeting,whichever occurs first; and
 - (d) upon completion of the purchase(s) of the Sunway Shares by the Company, the Directors of the Company be hereby authorised to cancel the Sunway Shares so purchased or to retain the Sunway Shares so purchased as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act), or to retain part of the Sunway Shares so purchased as treasury shares and cancel the remainder and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act, the Main Market Listing Requirements of Bursa Securities and any other relevant authorities for the time being in force.
- (II) AND THAT the Directors of the Company be hereby authorised to take all such steps as are necessary or expedient to implement, finalise or to effect the purchase(s) of the Sunway Shares with full powers to assent to any conditions, modifications, variations and/or amendments as may be required or imposed by the relevant authorities and to do all such acts and things (including executing all documents) as the Directors may deem fit and expedient in the best interest of the Company.

9.0 ORDINARY RESOLUTION NO. 11

- **Proposed renewal of the authority for Directors to allot and issue new ordinary shares in the Company (“Sunway Shares”) in relation to the Dividend Reinvestment Scheme that provide the shareholders of the Company with the option to elect to reinvest their cash dividend entitlements in Sunway Shares**

Dato’ Sri Chairman informed that the proposed renewal of the authority for Directors to allot and issue new ordinary shares in the Company in relation to the Dividend Reinvestment Scheme (“DRS”), if passed, would give authority to the Directors to allot and issues ordinary shares in the Company in respect of dividends to be declared, if any, under the DRS until the conclusion of the next Annual General Meeting.

Based on the members and proxies who were present and voted, the resolution was duly passed with 2,680,692,650 ordinary shares (99.9977%) voted for the resolution and 61,374 ordinary shares (0.0023%) voted against the resolution.

It was hereby RESOLVED:-

- (I) THAT pursuant to the DRS approved at the Extraordinary General Meeting held on 26 June 2014, approval be hereby given to the Company to allot and issue such number of new Sunway Shares for the DRS until the conclusion of the next Annual General Meeting, upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and in the interest of the Company PROVIDED THAT the issue price of the said new Sunway Shares shall be fixed by the Directors at not more than 10% discount to the adjusted 5-market day volume weighted average market price (“VWAP”) of Sunway Shares immediately preceding the price-fixing date, of which the VWAP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price.
- (II) AND THAT the Directors and the Secretary of the Company be hereby authorised to do all such acts and enter into all such transactions, arrangements and documents as may be necessary or expedient in order to give full effect to the DRS with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments or at the discretion of the Directors in the best interest of the Company.

10.0 SPECIAL RESOLUTION NO. 1

- **Proposed Adoption of the new Constitution**

Dato’ Sri Chairman informed that the main purpose of the proposed adoption of the new constitution was to ensure compliance with the amended Main Market Listing Requirements of Bursa Malaysia Securities Berhad as well as the new Companies Act 2016.

He then opened the floor for questions. As there were no queries raised, he proceeded with the voting process.

Based on the members and proxies who were present and voted, the resolution was duly passed with 3,287,989,313 ordinary shares (99.9986%) voted for the resolution and 47,157 ordinary shares (0.0014%) voted against the resolution.

Before the conclusion of the Meeting, the following salient questions were raised and the responses provided by the Board and Management were as follows:

No.	Comments/Questions/ Suggestions	Responses
1.	There were insufficient annual reports for the shareholders who attended the Meeting.	The Company was committed to sustainability and hence, had reduced the total number of printed annual reports. The Board encouraged the members to access the annual report at the Company's website. The Board also acknowledged that some members might have challenges to access the website. If the members required a hardcopy of the annual report, they could request in advance from the Share Registrar prior to the Meeting.
2.	Considering the challenges encountered by the Construction and Property Development Divisions, what would be the Company's outlook for 2018?	<p>Management was positive on the Group's outlook for 2018.</p> <p>On the Construction Division, they had approximately RM6.4 billion worth of jobs as at to-date. Sunway Construction Sdn Bhd had always been competitive in its tender and was able to deliver good quality jobs on timely basis.</p> <p>Even though the property market was soft, there were pockets of opportunities for the Group's Property Development Division. The Group had a strong brand and it would continue to deliver excellent as well as innovative and quality products to its customers. The Group had also introduced financing schemes to home buyers under a unique ownership campaign.</p> <p>After a prolonged period of consolidation in the Property sector, Management felt that the investors' confidence to invest in properties would improve in the medium to long term.</p>
3.	What was the present gearing ratio and the level of gearing which Management was comfortable with?	The Group adopted a dynamic treasury management approach towards its overall gearing level to ensure it was within a prudent limit of 50% of the shareholder fund.

No.	Comments/Questions/ Suggestions	Responses
4.	What was the Group's plan for Sunway Medical Centre ("SMC")?	<p>The Group's plan for SMC was progressing well.</p> <p>Management planned to build 5 more medical centres i.e. in Kuala Lumpur South; Seberang Jaya, Penang; Ipoh; Sunway Damansara and Sunway Iskandar, Johor. The Group would be setting up a primary care and health screening centre in Singapore which would also serve as a referral centre for international patients who might want to seek further treatment in Malaysia.</p> <p>SMC had signed collaborative agreements with leading medical schools and hospitals such as Harvard, Cambridge, Monash and Royal Papworth Hospital in the areas of training and research. The endorsement by these top medical schools and hospitals had provided a lot of motivation to the Group as well as increase SMC's branding.</p> <p>Management had been recruiting experienced medical specialists currently practicing abroad in order to enhance the comprehensiveness of its clinical services. Likewise, additional ICU and OT nurses were being employed to expedite the opening of new wards and other clinical facilities.</p> <p>Management was confident of SMC's progress as it had performed well despite the intense competition in the market. It was also equipped with the latest medical technologies, especially in its cancer and nuclear medicine departments, to facilitate faster and more accurate diagnosis and treatment of patients.</p> <p>However, Management was not able to disclose when SMC would be listed on the Stock Exchange.</p>
5.	What was the status on the dispute with the previous Perak State Government and its request for Sunway City (Ipoh) Sdn Bhd (a subsidiary of the Company) to return the undeveloped portion of the land to the Perak State Government?	The issue had been resolved.
6.	Suggestion for the Group to venture into digital sector.	The Board assured the members that the Group had already ventured into the digital sector. It had begun an online money transfer business via Sunway Money Sdn Bhd. Management had been exploring other information technology businesses which the Group viewed as having good opportunity.

CONCLUSION

There being no other matters discussed, the Meeting concluded at 4.20 p.m. with a vote of thanks to the Chair.

Confirmed as a true and correct record:-

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CHAIRMAN

Dated this