



Publication of Summary of key matters discussed at the Forty-Seventh Annual General Meeting (“47<sup>th</sup> AGM”) of the Company held on 14 June 2019

No.	Key matters raised by members and/or proxies	Responses from Directors and/or Management
1.	<p><b><u>Timber Licences</u></b></p> <p>As stated in the Annual Report 2018, the Group’s timber licenses will expire in year 2021 and 2022. It was also stated that the Directors are of the view that the timber licenses are renewable.</p> <p>What are the reasons for the Directors to hold such view and are there any contingency plan if the Group fails to renew these timber licenses?</p>	<p>The Group has already embarked on the process of renewing its timber licenses and is on-track and on schedule with the renewal plan. Upon given the necessary approvals by the Forest Department Sarawak, the Group will proceed to the next stage of the Forest Management Certification (“FMC”)<i>(please see below Note A)</i>.</p> <p>Furthermore, the Group has been in compliance with the forestry regulations governing its timber licenses and has the financial means to undertake all the necessary audits and compliance guidelines required for the renewal of its timber licenses. As such, the Group is confident that its timber licences are renewable.</p> <p><u>Note A</u>:- <i>For information purposes, it was a directive from the Director of Forests, Sarawak that all timber licensees are to obtain FMC for their licence areas. The timber licence will be renewed once the licence area is FMC certified.</i></p>

**W T K HOLDINGS BERHAD** (10141-M)

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2.	<p><b><u>Gearing Ratio</u></b></p> <p>The cash and bank balances per share of the Company is RM0.80 and this is higher than the market price of the Company’s shares. The Annual Report 2018 also reported that the Group’s gearing ratio was 0.22 times and a sum of RM313 million were placed as short-term deposits which earned interest rate of 2.86%.</p> <p>From the above, it appears that the Group is not leveraging on its funds to maximize profit. Hence, unless the Group has any new investment or opportunity in the near future, the Group should consider returning the excess cash back to shareholders. It is expected that shareholders would want the best return on their investment.</p> <p>The Group would need to balance its cash requirements and the investment interest of its shareholders.</p>	<p>The Board appreciated the observation raised and would look further into the observation.</p>

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3.	<p><b><u>Business opportunities or contracts in timber and oil palm business for the Group and the related parties</u></b></p> <p>Given that the Group and some of the related parties are in similar business (i.e. timber and oil palm), how does the Group and the related parties handle business opportunities or contracts in situation where the related parties compete with the Group?</p> <p>For the sake of transparency, all provisions for non-competition and segregation of opportunities or contracts should be documented for the benefit of the Group and its management.</p>	<p>In the past, there is no such situation (i.e., where related parties compete with the Group). Nevertheless, the Group will establish a process so that, if such situation arises in the future, the Group is able to put into action of such process.</p>