

THIS STATEMENT/CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Bursa Malaysia Securities Berhad has not perused this Statement/Circular except in respect of the new shareholders' mandate for Recurrent Related Party Transactions under Part B of this Statement/Circular on a limited review basis pursuant to the provision of Practice Note 18 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, prior to the issuance of this Statement/Circular. Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Statement/Circular and makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement/Circular.



SIME DARBY BERHAD
(Company No. 752404-U)
(Incorporated in Malaysia)

PART A

STATEMENT IN RELATION TO THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

PART B

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR EXISTING RECURRENT RELATED PARTY TRANSACTIONS AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

PART C

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED ADOPTION OF A NEW CONSTITUTION OF THE COMPANY

The resolutions in respect of the above proposals will be tabled as Special Business at the Thirteenth Annual General Meeting of the Company. The notice of the Thirteenth Annual General Meeting of the Company together with the Form of Proxy are set out in the Annual Report 2019 of the Company despatched together with this Statement/Circular.

In the event you wish to appoint a proxy, please complete, sign and return the Form of Proxy in accordance with the instructions printed thereon. The completed Form of Proxy must be deposited at the office of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia before 12.00 p.m. on 13 November 2019 or not less than twenty-four (24) hours before the time appointed for the taking of the poll at the Annual General Meeting, whichever is the later. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the Annual General Meeting should you subsequently decide to do so.

Date and time of the Annual General Meeting	:	Thursday, 14 November 2019 at 10.00 a.m.
Venue of the Annual General Meeting	:	Grand Ballroom, First Floor Sime Darby Convention Centre 1A, Jalan Bukit Kiara 1 60000 Kuala Lumpur, Malaysia

This Statement/Circular is dated 16 October 2019

DEFINITIONS

Except where the context otherwise requires, the following definitions (in alphabetical order) shall apply throughout this Statement/Circular (definition denoting singular number shall also include the plural and vice-versa, where applicable):

Annual Report 2019	:	Annual Report of the Company for the financial year ended 30 June 2019
Act	:	Malaysian Companies Act 2016, as amended from time to time including any re-enactment thereof
AGM	:	Annual General Meeting of the Company
Board	:	Board of Directors of Sime Darby
Bursa Securities	:	Bursa Malaysia Securities Berhad (Company No. 635998-W)
CMSA	:	Capital Markets and Services Act 2007
Code	:	Malaysian Code on Take-Overs and Mergers 2016 as amended from time to time including any re-enactment thereof
Constitution	:	The constitution of the Company
Director(s)	:	Shall have the meaning given in Section 2(1) of the CMSA and for the purpose of the Proposed Shareholders' Mandate includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a Director or the Chief Executive Officer of Sime Darby and its subsidiaries
EPF	:	Employees Provident Fund Board (EPF Act 1991)
EPS	:	Earnings per share
LPD	:	18 September 2019, being the latest practicable date prior to the date of this Statement/Circular
GAC	:	Governance & Audit Committee of the Board of Sime Darby
Major Shareholder(s)	:	Means a person who has an interest or interests in one (1) or more voting shares in a company and the number or aggregate number of those shares, is: <ul style="list-style-type: none">(i) 10% or more of the total number of voting shares in the company; or(ii) 5% or more of the total number of voting shares in the corporation where such person is the largest shareholder of the company;

For the purposes of this definition, "interest" shall have the meaning of "interest in shares" given in Section 8 of the Act

DEFINITIONS (*Continued*)

MCCG 2017	:	The Malaysian Code on Corporate Governance 2017
Listing Requirements	:	The Main Market Listing Requirements of Bursa Securities and any amendment made thereto from time to time and any Practice Notes issued in relation thereto
Person(s) Connected	:	Shall have the same meaning given in Paragraph 1.01, Chapter 1 of the Listing Requirements
Proposal(s)	:	Proposed Share Buy-Back, Proposed Shareholders' Mandate and Proposed Adoption of New Constitution
Proposed Adoption of New Constitution	:	Proposed adoption of the New Constitution of the Company
Proposed Share Buy-Back	:	Proposed renewal of authority for the Company to purchase its own shares of up to ten percent (10%) of the total number of issued shares
Proposed Shareholders' Mandate	:	Proposed renewal of shareholders' mandate for existing recurrent related party transactions and Proposed new shareholders' mandate for additional recurrent related party transactions which are in the ordinary course of business of the Sime Darby Group
Recurrent Related Party Transaction(s)	:	Related party transaction(s) which is recurrent, of a revenue or trading nature, and which is necessary for the day-to-day operations of the Sime Darby Group
Related Party(ies)	:	A Director, Major Shareholder or a person connected with such Director or Major Shareholder as defined under Paragraph 1.01 of the Listing Requirements. For the purpose of the Proposed Shareholders' Mandate, the Related Parties are set out in Section 2.3 of Part B of this Statement/Circular
Related Party Transaction	:	A transaction entered into by the Sime Darby Group which involves the interests, direct or indirect, of a Related Party
RM and sen	:	Ringgit Malaysia and sen, respectively
Sime Darby Group or the Group	:	Sime Darby and its subsidiary companies, collectively
Sime Darby or the Company	:	Sime Darby Berhad (Company No. 752404-U)
Statement/Circular	:	This Share Buy-Back Statement and Circular to Shareholders dated 16 October 2019
Substantial Shareholder	:	Shall have the meaning given in Section 136 of the Act

DEFINITIONS *(Continued)*

All references to "our Company" or "Sime Darby" in this Statement/Circular are to Sime Darby Berhad and references to "our Group" are to our Company and our subsidiaries. References to "we", "us", "our" and "ourselves" are to our Company and, where the context otherwise requires, our subsidiaries.

All references to "you" in this Statement/Circular are to the shareholders of our Company.

Words denoting the singular shall, where applicable, include the plural and vice versa, and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders, and vice versa. References to persons shall include corporations.

Any discrepancies in the tables included in this Statement/Circular between the amounts listed, actual figures and the totals thereof are due to rounding.

Any reference to a time of day and date in this Statement/Circular is a reference to Malaysian time and date, respectively.

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PART A

PROPOSED SHARE BUY-BACK



SIME DARBY BERHAD

(Company No. 752404-U)
(Incorporated in Malaysia)

Registered Office

Level 9, Menara Sime Darby
Oasis Corporate Park
Jalan PJU 1A/2, Ara Damansara
47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia

16 October 2019

Board of Directors

Tan Sri Dato' Sri Dr Wan Abdul Aziz Wan Abdullah (*Non-Independent Non-Executive Chairman*)
Dato' Abdul Rahman Ahmad (*Non-Independent Non-Executive Director*)
Tan Sri Samsudin Osman (*Non-Independent Non-Executive Director*)
Dato Sri Lim Haw Kuang (*Senior Independent Non-Executive Director*)
Datuk Wan Selamah Wan Sulaiman (*Independent Non-Executive Director*)
Dato' Sri Abdul Hamidy Abdul Hafiz (*Independent Non-Executive Director*)
Dato' Ahmad Pardas Senin (*Independent Non-Executive Director*)
Thayaparan Sangarapillai (*Independent Non-Executive Director*)
Dato' Lawrence Lee Cheow Hock (*Non-Independent Non-Executive Director*)
Moy Pui Yee (*Independent Non-Executive Director*)
Mohamad Idros Mosin (*Non-Independent Non-Executive Director*)
Dato' Jeffri Salim Davidson (*Group Chief Executive Officer*)

To: The Shareholders of Sime Darby

Dear Sir/Madam

PROPOSED SHARE BUY-BACK

1. INTRODUCTION

At the Twelfth AGM of the Company held on 15 November 2018, the Company had obtained its shareholders' approval for the Company to purchase its own shares of up to ten percent (10%) of the total number of issued shares of the Company at any point of time. The said approval will expire at the conclusion of the forthcoming Thirteenth AGM which will be held on 14 November 2019 unless the approval is renewed.

The Company had, on 25 September 2019, announced through Bursa Securities the Company's intention to seek its shareholders' approval for the Proposed Share Buy-Back by way of an Ordinary Resolution at the forthcoming Thirteenth AGM of the Company.

This Statement serves to provide you with details of the Proposed Share Buy-Back as well as the recommendation of the Board and to seek your approval for the Ordinary Resolution to be tabled at the forthcoming Thirteenth AGM. An extract of the Notice of the Thirteenth AGM is enclosed in this Statement for your ease of reference.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS STATEMENT BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED SHARE BUY-BACK AT THE FORTHCOMING THIRTEENTH AGM.

2. DETAILS OF THE PROPOSED SHARE BUY-BACK

The Board proposes to seek its shareholders' approval for the renewal of authority for the Company to purchase its own shares of up to ten percent (10%) of the total number of issued shares at any point in time during the authorised period, subject to compliance with the Act, the Listing Requirements and any prevailing laws, guidelines, rules and regulations issued by the relevant authorities.

2.1 Quantum

The maximum aggregate number of shares which may be purchased by the Company shall not exceed ten percent (10%) of the number of issued shares at any point in time. As at the LPD, the total number of issued shares of the Company was 6,800,839,377 ordinary shares.

The actual number of shares to be purchased and the timing of such purchase will depend on the market conditions and sentiments of the stock market as well as the financial resources available to the Company.

2.2 Duration

The authority from the shareholders for the purchase by the Company of its own shares will be effective immediately upon the passing of the Ordinary Resolution on the Proposed Share Buy-Back at the forthcoming Thirteenth AGM and shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company at which time it will lapse, unless the authority is renewed by an Ordinary Resolution passed at that meeting, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (iii) revoked or varied by an Ordinary Resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first.

The shareholders' approval for the Proposed Share Buy-Back does not impose an obligation on the Company to purchase its own shares on Bursa Securities. The Proposed Share Buy-Back will allow the Board to exercise the power of the Company to purchase its own shares at any time within the abovementioned time period.

2.3 Funding

The Proposed Share Buy-Back will be funded from internally generated funds and/or bank borrowings, the proportion of which will depend on the quantum of purchase consideration as well as the availability of internally generated funds and borrowings and repayment capabilities of the Company at the time of purchase.

The Proposed Share Buy-Back is not expected to have a material impact on the cash flow position of the Company. In addition, the Board will ensure that the Company satisfies the solvency test as stated in Section 112(2) of the Act before implementing the Proposed Share Buy-Back.

The Board proposes to allocate a maximum amount not exceeding the retained profits of the Company for the Proposed Share Buy-Back. The retained profits of the Company based on the audited financial statements of the Company for the financial year ended 30 June 2019 was RM633 million.

2.4 Treatment of Purchased Shares

Pursuant to the provision of Section 127(4) of the Act, the Board may deal with the purchased shares at its discretion, in the following manner:

- (i) cancel the shares so purchased; or
- (ii) retain the shares so purchased as treasury shares; or
- (iii) retain part of the shares so purchased as treasury shares and cancel the remainder.

Pursuant to the provision of Section 127(7) of the Act where such shares are held as treasury shares, the Board may at its discretion:

- (i) distribute the treasury shares as share dividends to shareholders; or
- (ii) resell the treasury shares or any of the said shares in accordance with the Listing Requirements; or
- (iv) transfer the treasury shares or any of the said shares as purchase consideration; or
- (v) transfer the treasury shares or any of the shares for the purposes of or under an employee's share scheme; or
- (vi) cancel the treasury shares or any of the said shares; or
- (vii) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister by order prescribe.

While the purchased shares are held as treasury shares, the rights attached to them as to voting, dividends and participation in other distributions and otherwise are suspended, and the treasury shares shall not be taken into account in calculating the number or percentage of shares or a class of shares in the Company for any purpose including substantial shareholding, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on resolution at a meeting of the shareholders.

An immediate announcement will be made to Bursa Securities in relation to the purchased shares and the treatment of the purchased shares.

2.5 Pricing

Pursuant to the Listing Requirements, the Company may only purchase its own shares on Bursa Securities at a price which is not more than fifteen percent (15%) above the weighted average market price for the shares for the five (5) market days immediately before the date of the purchase.

The Company may only resell or transfer the purchased shares held as treasury shares on Bursa Securities at:

- (i) a price which is not less than the weighted average market price for the shares for the five (5) market days immediately before the resale or transfer; or
- (ii) a discounted price of not more than five percent (5%) to the weighted average market price for the shares for the five (5) market days immediately before the resale or transfer provided that:
 - (a) the resale or transfer takes place not earlier than thirty (30) days from the date of purchase; and
 - (b) the resale or transfer price is not less than the cost of purchase of the shares being resold or transferred.

2.6 Public Shareholding Spread

As at the LPD, the public shareholding spread of the Company was 48.93%. Assuming the Proposed Share Buy-Back is implemented in full whereby the Company purchases 680,083,937 shares representing ten percent (10%) of the total number of issued shares as at that date from the public shareholders and all the purchased shares are cancelled, the public shareholding spread of the Company will be reduced to 43.25%.

As at the date hereof, the Company has yet to determine the actual percentage of its own shares to be purchased pursuant to the Proposed Share Buy-Back. However, the Company will be mindful of the public shareholding spread requirement by the Listing Requirements before making any purchase of its own shares.

3. RATIONALE AND BENEFITS OF THE PROPOSED SHARE BUY-BACK

The Proposed Share Buy-Back will enable the Company to utilise its surplus financial resources to purchase its own shares at prices which the Board views as favourable. It may stabilise the supply and demand of shares traded on the Bursa Securities and thereby support the Company's fundamental value.

The purchased shares held as treasury shares may be resold through the stock exchange of Bursa Securities with the intention of realising a potential gain without affecting the total issued share capital of the Company. The treasury shares may also be distributed to shareholders as dividends and, if undertaken, would serve to reward the shareholders of the Company.

The Proposed Share Buy-Back would effectively reduce the number of shares carrying voting and participation rights. As such, in arriving at the EPS of the Company, the earnings of the Company would be divided by a reduced number of shares and thus, enhance the EPS of the Company. In addition, the Proposed Share Buy-Back may allow the Company the flexibility to achieve its desired capital structure in terms of debt and equity composition and size of equity.

4. RISK ASSESSMENT OF THE PROPOSED SHARE BUY-BACK

However, the Proposed Share Buy-Back, if implemented, will reduce the financial resources of the Company which may result in the Company having to forego future investment opportunities and/or any income that may be derived from the deposit of such funds in interest bearing instruments. The Proposed Share Buy-Back may also result in a reduction of financial resources available for distribution in the form of cash dividends to shareholders.

Nevertheless, the Proposed Share Buy-Back is not expected to have any material disadvantage to the Company and its shareholders, as it will be implemented only after careful consideration of the financial resources of the Company and its resultant impact. The Board will be mindful of the interest of the Company and its shareholders in implementing the Proposed Share Buy-Back.

5. EFFECTS OF THE PROPOSED SHARE BUY-BACK

5.1 Share Capital

The effect of the Proposed Share Buy-Back on the number of issued shares of the Company will depend on whether the purchased shares are cancelled or retained as treasury shares.

The Proposed Share Buy-Back will result in a reduction of the total number of issued shares of the Company if the purchased shares are cancelled. Based on the assumption that the Proposed Share Buy-Back is implemented in full and all the purchased shares are cancelled, the effect on the number of issued shares of the Company is illustrated below:

	<u>No. of Shares</u>
Existing number of issued shares as at LPD	6,800,839,377
Less: Proposed Share Buy-Back (10%)	<u>(680,083,937)</u>
Total issued shares after the Proposed Share Buy-Back	<u><u>6,120,755,440</u></u>

There will be no effect on the number of issued shares of the Company if the purchased shares are retained as treasury shares. However, the rights attaching to the treasury shares as to voting, dividends and participation in other distributions and otherwise are suspended and the treasury shares shall not be taken into account in calculating the number or percentage of shares for any purposes including substantial shareholding, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

5.2 Net Assets

The effect of the Proposed Share Buy-Back on the net assets of the Company will depend on the purchase price and number of shares purchased. The Proposed Share Buy-Back will reduce the consolidated net assets per share if the purchase price exceeds the consolidated net assets per share at the time of the purchase. Conversely, it would increase the consolidated net assets per share if the purchase price is less than the consolidated net assets per share of the Company at the time of the purchase.

5.3 Working Capital

The Proposed Share Buy-Back is likely to reduce the working capital of the Company, the quantum of which depends on the purchase price of the shares, the number of shares purchased and any associated costs incurred in making the purchase. However, if the purchased shares treated as treasury shares are subsequently resold on Bursa Securities, the working capital of the Company will increase if the Company realises a gain from the resale.

5.4 Gearing

The effect of the Proposed Share Buy-Back on the gearing of the Group will depend on the proportion of borrowing used to fund the purchase of shares. The utilisation of any borrowings to fund the Proposed Share Buy-Back will serve to increase the gearing of the Group.

5.5 Earnings

The effect of the Proposed Share Buy-Back on the EPS of the Sime Darby Group will depend on the purchase price and number of shares purchased as well as any loss in interest income to or finance costs incurred by the Company. The effective reduction in the number of shares applied in the computation of the consolidated EPS pursuant to the Proposed Share Buy-Back may generally, all else being equal, have a positive impact on the consolidated EPS of the Group.

5.6 Dividend

The Proposed Share Buy-Back will have the effect of increasing the dividend rate per ordinary share of the Company as a result of the reduction in the issued shares of the Company.

6. SHAREHOLDINGS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As at the LPD, none of our Directors held any share in the Company. The direct and indirect shareholdings of the Substantial Shareholders based on the Register of Substantial Shareholders as at the LPD are set out as follows:

Name of Substantial Shareholder	No. of Shares Held (Direct Interest)	% of Issued Capital	No. of Shares Held (Indirect Interest)	% of Issued Capital
AmanahRaya Trustees Berhad - Amanah Saham Bumiputera	2,821,126,200	41.48	-	-
Employees Provident Fund Board	534,664,612	7.86	129,297,363	1.90
Kumpulan Wang Persaraan (Diperbadankan)	430,278,649	6.33	52,704,900	0.77

7. PURCHASE, RE SALE AND CANCELLATION OF TREASURY SHARES MADE IN THE PRECEDING 12 MONTHS

The Company has not made any purchase, resale, transfer or cancellation of its own shares in the twelve (12) months preceding the date of this Statement. As at the LPD, no treasury shares were held by the Company.

8. HISTORICAL SHARE PRICES

The following table sets out the monthly highest and lowest prices of the shares of the Company traded on Bursa Securities for the past twelve (12) months from October 2018 to September 2019:

	High RM	Low RM
2018		
October	2.65	2.10
November	2.50	2.28
December	2.44	2.26
2019		
January	2.40	2.21
February	2.29	2.16
March	2.26	2.14
April	2.36	2.19
May	2.36	2.15
June	2.31	2.25
July	2.34	2.18
August	2.29	2.09
September	2.35	2.27

The last transacted price of the Sime Darby shares on 18 September 2019, being the LPD prior to printing of this Statement was RM2.34.

9. IMPLICATION RELATING TO THE CODE

In the event that the Proposed Share Buy-Back results in any Director, Major Shareholder and/or parties acting in concert with him/them triggering a mandatory offer obligation under the Code, the affected Director or Major Shareholder will be obliged to make a mandatory offer for the remaining shares in the Company not held by him/them. However, an exemption may be sought from the SC by the affected Director or Major Shareholder under Section 219 the CMSA before a mandatory offer obligation is triggered.

However, it is not the intention of the Company to cause any shareholder to trigger an obligation to undertake a mandatory general offer under the Code. The Company will be mindful of the above implications of the Code in making any purchase of its own shares pursuant to the Proposed Share Buy-Back.

10. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

Save for the proportionate increase in the percentage of shareholdings and/or voting rights in their capacity as shareholders as a consequence of the implementation of the Proposed Share Buy-Back, none of our Directors or Major Shareholders and/or Persons Connected with them has any interest, direct or indirect, in the Proposed Share Buy-Back.

11. APPROVAL REQUIRED

The Proposed Share Buy-Back is subject to the approval of the shareholders of Sime Darby at the forthcoming Thirteenth AGM.

12. DIRECTORS' RECOMMENDATION

The Board, having considered all aspects of the Proposed Share Buy-Back, is of the opinion that the proposal is in the best interest of the Company and accordingly, recommends that you vote in favour of the Ordinary Resolution pertaining to the Proposed Share Buy-Back to be tabled at the forthcoming Thirteenth AGM.

13. FURTHER INFORMATION

Shareholders are advised to refer to the attached Appendix I for further information.

Yours faithfully
for and on behalf of the Board of Directors of
SIME DARBY BERHAD

TAN SRI DATO' SRI DR WAN ABDUL AZIZ WAN ABDULLAH
Chairman

PART B

PROPOSED SHAREHOLDERS' MANDATE



SIME DARBY BERHAD

(Company No. 752404-U)
(Incorporated in Malaysia)

Registered Office

Level 9, Menara Sime Darby
Oasis Corporate Park
Jalan PJU 1A/2, Ara Damansara
47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia

16 October 2019

Board of Directors

Tan Sri Dato' Sri Dr Wan Abdul Aziz Wan Abdullah (*Non-Independent Non-Executive Chairman*)
Dato' Abdul Rahman Ahmad (*Non-Independent Non-Executive Director*)
Tan Sri Samsudin Osman (*Non-Independent Non-Executive Director*)
Dato Sri Lim Haw Kuang (*Senior Independent Non-Executive Director*)
Datuk Wan Selamah Wan Sulaiman (*Independent Non-Executive Director*)
Dato' Sri Abdul Hamidy Abdul Hafiz (*Independent Non-Executive Director*)
Dato' Ahmad Pardas Senin (*Independent Non-Executive Director*)
Thayaparan Sangarapillai (*Independent Non-Executive Director*)
Dato' Lawrence Lee Cheow Hock (*Non-Independent Non-Executive Director*)
Moy Pui Yee (*Independent Non-Executive Director*)
Mohamad Idros Mosin (*Non-Independent Non-Executive Director*)
Dato' Jeffri Salim Davidson (*Group Chief Executive Officer*)

To: The Shareholders of Sime Darby

Dear Sir/Madam

PROPOSED SHAREHOLDERS' MANDATE

1. INTRODUCTION

At the Twelfth AGM of the Company held on 15 November 2018, the Company had obtained a mandate from its shareholders to allow the Company and/or its subsidiaries to enter into Recurrent Related Party Transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations and are carried out in the ordinary course of business on normal commercial terms and on terms which are not more favourable to the Related Parties than those generally available to the public ("2018 Shareholders' Mandate"). The 2018 Shareholders' Mandate shall, in accordance with the Listing Requirements, expire at the conclusion of the forthcoming Thirteenth AGM which will be held on 14 November 2019 unless a renewal of the 2018 Shareholders' Mandate is obtained from shareholders at the said AGM.

In addition to the renewal of the 2018 Shareholders' Mandate, the Company will also be seeking a new shareholders' mandate for the Sime Darby Group to enter into additional Recurrent Related Party Transactions of a revenue or trading nature with its Related Parties.

The Company had, on 25 September 2019, announced through Bursa Securities that the Board had resolved to seek shareholders' approval for the Proposed Shareholders' Mandate in accordance with Paragraph 10.09 of the Listing Requirements at the forthcoming Thirteenth AGM.

The purpose of this Circular is to provide you with details of the Proposed Shareholders' Mandate and to seek your approval of the Ordinary Resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming Thirteenth AGM. An extract of the Notice of the Thirteenth AGM is enclosed in this Circular for your ease of reference.

The Proposed Shareholders' Mandate, if approved, will take effect from the date of passing of the Ordinary Resolution relating thereto at the Thirteenth AGM and shall continue to be in force until the conclusion of the next AGM of the Company unless the authority for the renewal is obtained from the shareholders at its subsequent AGM.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS' MANDATE AT THE FORTHCOMING THIRTEENTH AGM.

2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE

2.1 Provisions of the Listing Requirements

- (i) Pursuant to Paragraph 10.09 of the Listing Requirements, the Company may seek from its shareholders the Proposed Shareholders' Mandate in respect of Recurrent Related Party Transactions, subject to the following:
 - (a) the transactions are in the ordinary course of business and are on terms which are not more favourable to the related party than those generally available to the public;
 - (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where:
 - (i) the consideration, value of the assets, capital outlay or costs of the Recurrent Related Party Transactions is RM1 million or more; or
 - (ii) the percentage ratio of such Recurrent Related Party Transaction is 1% or more,whichever is the higher.
 - (c) the circular to shareholders for the shareholders' mandate includes the information as may be prescribed by Bursa Securities;
 - (d) in a meeting to obtain the shareholders' mandate, the interested Director(s), interested Major Shareholder(s) or interested person(s) connected with a Director or Major Shareholder and where it involves the interest of an interested person connected with a Director or Major Shareholder, such Director or Major Shareholder, must not vote on the resolution to approve the transactions. An interested Director or interested Major Shareholder must ensure that person(s) connected with him abstain from voting on the resolution approving the transactions; and
 - (e) the Company immediately announces to Bursa Securities when the actual value of a Recurrent Related Party Transaction entered into by the Sime Darby Group exceeds the estimated value of the Recurrent Related Party Transaction disclosed in this Circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

- (ii) The Proposed Shareholders' Mandate, if approved, will take effect from the date of the forthcoming Thirteenth AGM and shall continue to be in force until:
 - (a) the conclusion of the next AGM of the Company following the forthcoming Thirteenth AGM at which such mandate was passed, at which time the said authority shall lapse, unless by an Ordinary Resolution passed at that meeting, the mandate is renewed; or
 - (b) the expiration of the period within which the next AGM is to be held pursuant to Sections 340(1) and (2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - (c) the mandate is revoked or varied by Ordinary Resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

Thereafter, approval from the shareholders will be sought for the renewal of the Proposed Shareholders' Mandate at each subsequent AGM if necessary.

- (iii) Disclosure will be made in the Company's Annual Report in accordance with Section 3.1.5 of Practice Note 12 of the Listing Requirements, which requires a breakdown of the aggregate value of the Recurrent Related Party Transactions made pursuant to the Proposed Shareholders' Mandate for the financial year under review, among others, based on the following information:
 - (a) the type of the Recurrent Related Party Transactions made; and
 - (b) the names of the Related Parties involved in each type of the Recurrent Related Party Transactions made and their relationship with the Company.

Notwithstanding the above, the Proposed Shareholders' Mandate sought does not cover any recurrent transaction of a revenue or trading nature involving companies in which EPF is interested where, in respect of such companies, the conditions set out in Paragraph 10.08(11)(m) of the Listing Requirements are expected to be fulfilled, in which case then such transactions involving companies in which EPF is interested will not be regarded as related party transactions.

The Sime Darby Group enters into Recurrent Related Party Transactions with certain Related Parties of the Company which are necessary for the day-to-day operations in the ordinary course of business of the Sime Darby Group. Such Recurrent Related Party Transactions of a revenue or trading nature will be carried out on arm's length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

Details of the Recurrent Related Party Transactions under the Proposed Shareholders' Mandate are set out in Section 2.3 of this Circular.

2.2 Principal activities of the Sime Darby Group

The Company is a limited liability company, incorporated and domiciled in Malaysia. The Company is principally an investment holding company.

The principal activities of the Group as at 30 June 2019 comprise four businesses namely, Industrial, Motors, Logistics and Healthcare.

The companies in the Sime Darby Group to which the Proposed Shareholders' Mandate applies are as follows:

Subsidiaries of Sime Darby	Sime Darby's Effective Equity Interest	Principal Activities
Hastings Deering (PNG) Limited ("HDPNG")	100.00%	Sale of Caterpillar equipment and spare parts and service support
Hastings Deering (Solomon Islands) Limited ("HDSI")	100.00%	Sale of Caterpillar equipment and spare parts and service support
Inokom Corporation Sdn Bhd ("Inokom")	53.50%	Manufacture and assembly of light commercial and passenger vehicles, and contract assembly of motor vehicles
Kumpulan Sime Darby Berhad ("KSDB")	100.00%	Property investment
Mecomb Malaysia Sdn Berhad ("MMSB")	100.00%	Marketing and installation of advanced electronic and electro-mechanical equipment, instruments and systems integration
Sime Darby Auto ConneXion Sdn Bhd ("SDAC")	100.00%	Distribution and retail of motor vehicles and spare parts and after-sales services
Sime Darby Energy Solutions Sdn Bhd ("SDES")	100.00%	System integration and marketing of products and service provider primarily for oil & gas/petrochemical industry and biogas value chain
Sime Darby Industrial Sdn Bhd ("SDI")	100.00%	Sale, rental and assembly of Caterpillar equipment and spare parts and service support
Sime Darby Malaysia Berhad ("SDMB")	100.00%	Holding of trademarks
Sime Darby Rent-A-Car Sdn Bhd ("SDRAC")	100.00%	Provision of car rental services

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2.3 Classes of Related Parties and Details of Recurrent Related Party Transactions

The class and nature of the Recurrent Related Party Transactions which may and will be entered into by the Sime Darby Group with the related parties under the Proposed Shareholders' Mandate are detailed as follows:

(i) Existing Shareholders' Mandate

No.	Transacting Company in our Group	Transacting Party	Nature of Transaction	Interested Related Party	Estimated Aggregate Value from 15 November 2018 to 14 November 2019 ¹ (RM million)	Actual Value Transacted from 15 November 2018 (i.e. date of the last AGM) to LPD ² (RM million)	Estimated Aggregate Value from the Forthcoming AGM on 14 November 2019 to the next AGM ³ (RM million)
Transactions with Sime Darby Plantation Berhad ("SD Plantation") and its subsidiaries							
1.	DXC Technology Global Services Centre Sdn Bhd (formerly known as Sime Darby Global Services Centre Sdn Bhd) ("DXC Technology GSC") ⁷	SD Plantation and its subsidiaries	<ul style="list-style-type: none"> Provision of centralised operational support, i.e. payroll, accounting and information technology processing, and other administration services 	AmanahRaya Trustees Berhad – Amanah Saham Bumiputera ("ASB") ⁴	85	32	<i>Not applicable</i> ⁸
2.	KSDB	SD Plantation	<ul style="list-style-type: none"> Leaseback of the Malaysia Vision Valley Land from KSDB to SD Plantation for the SD Plantation Group to carry out the planting/replanting, maintenance of oil palm, and the harvesting and selling of fresh fruit bunches[#] 		12	5	10
3.	SDMB	SD Plantation	<ul style="list-style-type: none"> Grant of a non-exclusive, non-assignable and non-transferable licence to use the "SIME DARBY" mark, Sime Darby Shield Device Logo, Shield Device Logo, Sime Darby in Chinese Characters, the "DEVELOPING SUSTAINABLE FUTURES" tagline and the "DELIVERING SUSTAINABLE FUTURES" tagline worldwide, solely in the course of or in connection with SD Plantation's business 		2	2	2
4.	SDRAC	SD Plantation and its subsidiaries	<ul style="list-style-type: none"> Provision of car rental services 		4	2	3

No.	Transacting Company in our Group	Transacting Party	Nature of Transaction	Interested Related Party	Estimated Aggregate Value from 15 November 2018 to 14 November 2019 ¹ (RM million)	Actual Value Transacted from 15 November 2018 (i.e. date of the last AGM) to LPD ² (RM million)	Estimated Aggregate Value from the Forthcoming AGM on 14 November 2019 to the next AGM ³ (RM million)
5.	<ul style="list-style-type: none"> • SDI • Kubota Malaysia Sdn Bhd (formerly known as Sime Kubota Sdn Bhd)⁶ • HDPNG • HDSI 	SD Plantation and its subsidiaries	<ul style="list-style-type: none"> ▪ Sale of heavy equipment and spare parts and provision of maintenance services 	ASB ⁴	80	66	85
6.	<ul style="list-style-type: none"> • SDES • MMSB 	SD Plantation and its subsidiaries	<ul style="list-style-type: none"> ▪ Provision of engineering maintenance services 		10	2	6
Total					193	109	106
Transactions with Sime Darby Property Berhad (“SD Property”) and its subsidiaries							
1.	SDMB	SD Property	<ul style="list-style-type: none"> ▪ Grant of a non-exclusive, non-assignable and non-transferable licence to use (a) the “SIME DARBY” mark, Sime Darby Shield Device Logo, Shield Device Logo, Sime Darby in Chinese Characters, the “DEVELOPING SUSTAINABLE FUTURES” tagline and the “DELIVERING SUSTAINABLE FUTURES” tagline worldwide, and (b) the “DARBY PARK” mark only in those countries it is currently registered, solely in the course of or in connection with SD Property’s business 	ASB ⁴	2	2	<i>Not applicable</i> ⁸
2.	SDRAC	SD Property and its subsidiaries	<ul style="list-style-type: none"> ▪ Provision of car rental services 		2	1	<i>Not applicable</i> ⁸
3.	<ul style="list-style-type: none"> • SDES • MMSB 	SD Property and its subsidiaries	<ul style="list-style-type: none"> ▪ Provision of engineering maintenance services 		10	7	<i>Not applicable</i> ⁸
4.	DXC Technology GSC ⁷	SD Property and its subsidiaries	<ul style="list-style-type: none"> ▪ Provision of centralised operational support, i.e. payroll, accounting and information technology processing, and other administration services 		16	5	<i>Not applicable</i> ⁸
Total					30	15	-

No.	Transacting Company in our Group	Transacting Party	Nature of Transaction	Interested Related Party	Estimated Aggregate Value from 15 November 2018 to 14 November 2019 ¹ (RM million)	Actual Value Transacted from 15 November 2018 (i.e. date of the last AGM) to LPD ² (RM million)	Estimated Aggregate Value from the Forthcoming AGM on 14 November 2019 to the next AGM ³ (RM million)
Others							
1.	Inokom	Mazda Malaysia Sdn Bhd ("Mazda Malaysia")	<ul style="list-style-type: none"> ▪ Rental of land[^] ▪ Contract manufacturing assembly 	Bermaz Auto Berhad ("Bermaz") ⁵	1 144	1 87	1 149
Total					145	88	150
Grand Total					368	212	256

(ii) New Shareholders' Mandate

No.	Transacting Company in our Group	Transacting Party	Nature of Transaction	Related Party	Estimated Aggregate Value from the Forthcoming AGM on 14 November 2019 to the next AGM ³ (RM million)
1.	HDPNG	New Britain Palm Oil Ltd ("NBPOL"), subsidiary of SD Plantation	Foreign currency payment arrangement ⁹	ASB ⁴	175
2.	SDAC	SD Plantation and its subsidiaries	Sale of motor vehicles, parts and services		3
Total					178

Notes:

¹ The Estimated Aggregate Value as disclosed in the preceding year's Circular to Shareholders dated 17 October 2018.

² The Actual Value transacted has not exceeded the Estimated Aggregate Value of the Existing Shareholders' Mandate by 10% or more.

³ Due to the nature of the transactions, the actual value of the transactions may vary and are subject to change from the Estimated Aggregate Values disclosed above.

⁴ ASB is a Major Shareholder of Sime Darby, holding 41.48% direct equity interest in Sime Darby as at the LPD. ASB is also a Major Shareholder of SD Plantation and SD Property, holding 43.66% and 43.96% direct interest, respectively, in SD Plantation and SD Property as at the LPD.

⁵ Bermaz is a Major Shareholder of Inokom, holding 29.00% direct interest in Inokom as at the LPD. Bermaz is also a Major Shareholder of Mazda Malaysia, holding 30.00% direct interest in Mazda Malaysia as at the LPD. Bermaz did not hold any shares in Sime Darby as at the LPD.

⁶ Ceased to be a subsidiary of Sime Darby with effect from 1 April 2019. Renewal of shareholders' mandate will not be sought for this transaction.

⁷ Ceased to be a subsidiary of Sime Darby with effect from 30 April 2019.

⁸ Renewal of shareholders' mandate will not be sought for this transaction.

⁹ The transactions involve HDPNG giving instructions and paying NBPOL in Papua New Guinea Kina and NBPOL making direct payments to HDPNG's offshore suppliers in US Dollars.

[^] Lands held under H.S. (D) 4103, PT No 439 and H.S. (D) 4104, PT No 440, Mukim Padang Meha, Kulim, Kedah bearing postal address at Lot 38, Mukim Padang Meha, 09400 Padang Serai, Kulim, Kedah. The duration of the rental is 10 years (on a 3-year term basis for 3 terms and 1 year extended term). The payment is made on a monthly basis.

[#] Location : 29 plots of agricultural land with development potential with a total land area of 3,518 hectares in Labu, Negeri Sembilan.

Term : Fixed period of 3 years from the commencement date i.e. 30 June 2017.

Rental Formula : $\frac{\text{The preceding month's average price of crude palm oil (CPO) per metric tonne for Malaysia} \times \text{total planted area (in hectares)}}{12}$. Average price of CPO refers to average Malaysian Palm Oil Board delivered CPO price.

Payment Term : Monthly basis on or before the seventh (7th) day of each calendar month.

2.4 Outstanding amount due under the Recurrent Related Party Transactions

The breakdown of the principal sum (without interest) of the total outstanding amount due to the Sime Darby Group under the Recurrent Related Party Transactions which exceeded the credit term as at 30 June 2019 is as follows:

Related Party	Nature of Transactions	Outstanding Amount (RM million)	
		1 year or less	1-3 years
SD Plantation	Sale of equipment, parts and services	7.3 ⁺	*
SD Plantation	Engineering maintenance services	0.4	-
SD Plantation	Provision of car rental services	0.2	-
SD Plantation	Provision of shared services	19.2 [^]	-
SD Property	Engineering maintenance services	1.5	*
SD Property	Provision of car rental services	0.2	-
SD Property	Provision of shared services	4.0 [^]	-
Mazda Malaysia	Rental of land and contract manufacturing assembly	0.3	-
Total		33.1	*

Note:

⁺ Less than RM0.1 million.

^{*} RM7.0 million was settled by SD Plantation from 1 July 2019 to 30 September 2019.

[^] RM10.6 million was settled by SD Plantation and RM1.1 million was settled by SD Property from 1 July 2019 to 30 September 2019.

There were no late payment charges imposed by the Group on the above outstanding amounts as they were trade in nature. Management will (if and when required) meet with the debtors for early settlement of the outstanding amounts. The Board is of the opinion that there are no recoverability issues as the debtors are Related Parties with a long standing business relationship with the Group and have proven to be creditworthy debtors with good payment record.

There was no outstanding amount due to the Sime Darby Group for period more than three (3) years.

2.5 Review of procedures on Recurrent Related Party Transactions

The Sime Darby Group has established guidelines and procedures to ensure that Recurrent Related Party Transactions are undertaken at arm's length, on normal commercial terms consistent with the Group's normal business practices and policies which are not more favourable to the Related Parties than those generally available to the public, and are not to the detriment of the minority shareholders, as follows:

- (i) A list of Related Parties shall be circulated to the operating divisions and subsidiaries, updated on a quarterly basis, for their reference in ensuring that all transactions with such Related Parties are undertaken on arm's length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public. These include transacting at the prevailing market rates/prices of the service or product provider's usual commercial terms (including, where appropriate, preferential rates and discounts accorded for bulk purchases which are the same as those accorded for third-party bulk purchases), or otherwise in accordance with applicable industry norms. Other criteria to be taken into consideration include quality of the products and services, track record, experience, financial position of the supplier or vendor, speed of delivery and certification.
- (ii) The corporate assurance plan incorporates a review of the Recurrent Related Party Transactions entered into as well as Management's systems and procedures to capture and compile information on such transactions on annual basis.

- (iii) Any member of the GAC may, as he/she deems fit, request for additional information pertaining to Recurrent Related Party Transactions from independent sources or advisers.
- (iv) Details of the Recurrent Related Party Transactions made during the financial year shall be submitted to the Group Finance Department annually for disclosure in the Company's Annual Report.
- (v) All divisions and subsidiaries are required to comply with the Sime Darby Group Policies and Authorities ("GPA"). The GPA establish the minimum standards of corporate governance practices expected of the companies within the Sime Darby Group in pursuit of Sime Darby's corporate objectives. The GPA covering the following areas have relevance in respect of Related Party Transactions which are also applicable to Recurrent Related Party Transactions:
 - (a) Limits of Authority is part of the GPA to govern the processes surrounding Related Party Transactions and Recurrent Related Party Transactions in ensuring that the transactions are executed in an arm's length manner. Any transaction where the limit authority holder has an interest, the holder does not have the authority to enter into such transactions.
 - (b) policies on conflicts of interest which require Directors and employees to act in good faith at all times in the best interest of the companies within the Group.
 - (c) the requirement for the corporate assurance team to review the internal control systems of the Group so as to reasonably provide assurance to the Board, the GAC and Management of the proper conduct and adherence to controls and procedures.
 - (d) policies on Directors' and persons connected with Directors' purchases of the Group's products which should not be on terms that are more favourable than those offered to employees and the public. Directors are required to notify the relevant Company Secretary of any direct sales to them and/or persons connected with them.
 - (e) tendering procedures to ensure that competitive bidding principles are observed in the procurement of goods and services. These include the setting up of tender committees, and having a sufficient number of vendors (normally not less than three (3)) to bid where all priced bids received are on a sealed basis and are appropriately documented as well as witnessed upon opening.
- (vi) Where a Director has an interest (direct or indirect) in any Recurrent Related Party Transaction, such Director shall abstain from deliberation and voting on any decision to be taken by the Board in respect of such Recurrent Related Party Transaction, if any, and ensure that persons connected with him also abstain from voting in respect of the resolution on Recurrent Related Party Transaction at the general meeting. Where any member of the GAC has interest in any Recurrent Related Party Transaction, that member shall abstain from deliberation and voting on any decision to be taken by the GAC with respect of such transaction. Directors' disclosures on purchases of Group's products are tabled at the Board meetings of the Company.
- (vii) At least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, where possible, to determine whether the price and terms offered to/by the Related Party are fair and reasonable and comparable to those offered to/by the public for the same or substantially similar type of products/services and/or quantities. In the event that quotation or comparative price from unrelated third parties cannot be obtained (for example, if there are no unrelated third party vendors/customers of similar products or services, or if the products or services is a proprietary item), the transaction price will be determined by price negotiation with the Related Party based on those offered by other unrelated parties for substantially similar type of transactions where available to ensure that the Recurrent Related Party Transaction is not detrimental to the Sime Darby Group.

- (viii) The operating divisions and subsidiaries shall inform the Divisional Chief Financial Officer and Company Secretary, by completing the Related Party Transaction Disclosure Form, as and when Recurrent Related Party Transactions exceed the Group's threshold of RM147 million (i.e. 1% of the NA of Sime Darby as at 30 June 2019) and which a shareholders' mandate has not been obtained or has exceeded the shareholders' mandate by 10% or more. An announcement shall be made to Bursa Securities upon occurrence of these events.
- (ix) A register of all Recurrent Related Party Transactions entered into pursuant to the Proposed Shareholders' Mandate is maintained by the transacting company.
- (x) Details of Recurrent Related Party Transactions made during each quarter and the cumulative amount shall be tabled by Group Finance Department to the GAC every quarter for its consideration and information.
- (xi) There are no specific thresholds for approval of Recurrent Related Party Transactions within the Group. However, all Recurrent Related Party Transactions are subject to the approval of the appropriate levels of authority set by the operating divisions.

2.6 Statement by the GAC

The GAC has seen and reviewed the guidelines and procedures in Section 2.5 above and is satisfied that the guidelines and procedures established for Recurrent Related Party Transactions are sufficient to ensure that such transactions will be carried out fair, reasonable and on normal commercial terms which are not prejudicial to the interests of shareholders in the best interest of the Sime Darby Group, and the terms of the Recurrent Related Party Transactions are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of Sime Darby.

The GAC is of the view that the Group has put in place adequate procedures and processes to identify, monitor and track Recurrent Related Party Transactions in a timely and orderly manner, and will, at its discretion, amend the guidelines and procedures which are no longer appropriate or adequate, to ensure that the Recurrent Related Party Transactions are, at all times, carried out on terms consistent with the Group's practices and are not to the detriment of the minority shareholders. These procedures and processes are reviewed on an annual basis.

As at the LPD, the GAC comprised the following members:

- Mr Thayaparan Sangarapillai (*Chairman/Independent Non-Executive Director*)
- Datuk Wan Selamah Wan Sulaiman (*Independent Non-Executive Director*)
- Dato' Sri Abdul Hamidy Abdul Hafiz (*Independent Non-Executive Director*)
- Dato' Ahmad Pardas Senin (*Independent Non-Executive Director*)

3. RATIONALE AND BENEFITS OF THE PROPOSED SHAREHOLDERS' MANDATE

The rationale and benefits of the Proposed Shareholders' Mandate are as follows:

- (i) To facilitate transactions with Related Parties which are in the ordinary course of business of the Group, undertaken on arms' length basis, fair, reasonable and on normal commercial terms and on terms which are not more favourable to the Related Parties than those generally available to the public, and are not detrimental to the interests of the minority shareholders.
- (ii) To meet the business needs of the Group on the best possible terms as well as to explore beneficial business opportunities within the Group and with its joint-venture partners. The Group has had long-standing business relationships with the Related Parties and the close co-operation has reaped mutual benefits which are expected to continue to be beneficial to the business of the Group.

- (iii) The necessity to make frequent announcements to Bursa Securities and to convene separate general meetings from time to time to seek shareholders' approval as and when such Recurrent Related Party Transactions occur as required under the Listing Requirements will not arise. This will substantially reduce administrative time and expenses associated with the making of announcements or the convening of such meetings on an ad-hoc basis, without compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group.

4. EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate will not have any effect on the share capital, Substantial Shareholders' shareholdings, net assets per share, gearing, or EPS of Sime Darby for the financial year ending 30 June 2020.

5. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

Save as disclosed in Section 2.3, none of the other Directors or Major Shareholders and/or Persons Connected with them has any interest, direct or indirect, in the Proposed Shareholders' Mandate.

The interested Major Shareholders i.e. ASB and Bermaz as disclosed in Section 2.3 have undertaken that they will abstain from voting at the forthcoming Thirteenth AGM of Sime Darby on the Ordinary Resolution pertaining to the Proposed Shareholders' Mandate in respect of their interest, through either direct or indirect shareholdings in Sime Darby, if any. They have also undertaken to ensure that Persons Connected with them will abstain from voting at the forthcoming Thirteenth AGM of Sime Darby on the Ordinary Resolution pertaining to the Proposed Shareholders' Mandate in respect of their interest, through any direct and indirect shareholdings in Sime Darby.

6. APPROVAL REQUIRED

The Proposed Shareholders' Mandate is subject to the approval of the shareholders of Sime Darby at the forthcoming Thirteenth AGM.

7. DIRECTORS' RECOMMENDATION

Having considered all aspects of the Proposed Shareholders' Mandate, our Directors are of the opinion that the Proposed Shareholders' Mandate is in the best interest of the Company. Accordingly, they recommend that you vote in favour of the Ordinary Resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming Thirteenth AGM.

8. AGM

The Thirteenth AGM of the Company, the Notice of which is enclosed in the Annual Report 2019 of the Company, will be held at the Grand Ballroom, First Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Thursday, 14 November 2019 at 10.00 a.m., for the purpose of considering and, if thought fit, approving, inter alia, the Ordinary Resolution on the Proposed Shareholders' Mandate, as Special Business.

If you are unable to attend and vote in person at the AGM, you are requested to complete, sign and return the Form of Proxy (available in the Annual Report 2019 of the Company) in accordance with the instructions printed thereon as soon as possible, in any event, so as to arrive at the office of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia before 12.00 p.m. on 13 November 2019 or not less than twenty-four (24) hours before the time appointed for the taking of the poll at the AGM, whichever is the later.

The completion and lodgement of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently decide to do so.

9. FURTHER INFORMATION

Shareholders are advised to refer to the attached Appendices for further information.

Yours faithfully
for and on behalf of the Board of Directors of
SIME DARBY BERHAD

TAN SRI DATO' SRI DR WAN ABDUL AZIZ WAN ABDULLAH
Chairman

PART C

PROPOSED ADOPTION OF NEW CONSTITUTION



SIME DARBY BERHAD
(Company No. 752404-U)
(Incorporated in Malaysia)

Registered Office

Level 9, Menara Sime Darby
Oasis Corporate Park
Jalan PJU 1A/2, Ara Damansara
47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia

16 October 2019

Board of Directors

Tan Sri Dato' Sri Dr Wan Abdul Aziz Wan Abdullah (*Non-Independent Non-Executive Chairman*)
Dato' Abdul Rahman Ahmad (*Non-Independent Non-Executive Director*)
Tan Sri Samsudin Osman (*Non-Independent Non-Executive Director*)
Dato Sri Lim Haw Kuang (*Senior Independent Non-Executive Director*)
Datuk Wan Selamah Wan Sulaiman (*Independent Non-Executive Director*)
Dato' Sri Abdul Hamidy Abdul Hafiz (*Independent Non-Executive Director*)
Dato' Ahmad Pardas Senin (*Independent Non-Executive Director*)
Thayaparan Sangarapillai (*Independent Non-Executive Director*)
Dato' Lawrence Lee Cheow Hock (*Non-Independent Non-Executive Director*)
Moy Pui Yee (*Independent Non-Executive Director*)
Mohamad Idros Mosin (*Non-Independent Non-Executive Director*)
Dato' Jeffri Salim Davidson (*Group Chief Executive Officer*)

To: The Shareholders of Sime Darby

Dear Sir/Madam

PROPOSED ADOPTION OF NEW CONSTITUTION

1. INTRODUCTION

The Board had, on 25 September 2019 among others, resolved to seek shareholders' approval at the forthcoming Thirteenth AGM of the Company on the Proposed Adoption of New Constitution. An announcement was made to Bursa Securities on 25 September 2019 on the Proposed Adoption of New Constitution in accordance with Paragraph 9.19(16) of the Listing Requirements.

The purpose of this Circular is to provide you with details of the Proposed Adoption of New Constitution and to seek your approval of the Special Resolution pertaining to the Proposed Adoption of New Constitution, to be tabled at the forthcoming Thirteenth AGM of the Company. An extract of the Notice of the Thirteenth AGM is enclosed in this Circular for your ease of reference.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE SPECIAL RESOLUTION PERTAINING TO THE PROPOSED ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY AT THE FORTHCOMING THIRTEENTH AGM.

2. DETAILS OF THE PROPOSED ADOPTION OF NEW CONSTITUTION

The Board proposes that the Company revoke its existing Constitution in its entirety and in place thereof, a new Constitution as set out in the Appendix III of this Circular be adopted.

3. RATIONALE FOR THE PROPOSED ADOPTION OF NEW CONSTITUTION

The Proposed Adoption of New Constitution is primarily for the purposes of facilitating effective communication via electronic means for the benefit of the shareholders and streamlining the Company's existing Constitution with the amendments made to the Act, the MCGG 2017, the Listing Requirements and the prevailing statutory and regulatory requirements applicable to the Company.

The proposed adoption is also undertaken to render greater clarity and consistency throughout the Constitution as well as to facilitate and further enhance administrative efficiency. The existing Constitution is amended by way of alterations, modifications, deletions and/or additions, where necessary, to reflect the amendments thereto.

In view of the numerous amendments required to be made to the existing Constitution of the Company, the Board proposes that the proposed new Constitution in the form and content set out in the Appendix III of this Circular be adopted as the new Constitution of the Company in substitution of the existing Constitution. A summary of the material amendments to the existing Constitution is available at our corporate website at <http://www.simedarby.com/investor/agmegm>.

4. EFFECTS OF THE PROPOSED ADOPTION OF NEW CONSTITUTION

The Proposed Adoption of New Constitution will not have any effect on the share capital, Substantial Shareholders' shareholdings, net assets per share, gearing or earnings per share of the Sime Darby Group.

5. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of our Directors or Major Shareholders and/or Persons Connected with them has any interest, direct or indirect, in the Proposed Adoption of New Constitution.

6. APPROVAL REQUIRED

The Proposed Adoption of New Constitution is subject to the approval of the shareholders of Sime Darby at the forthcoming Thirteenth AGM by way of a Special Resolution.

7. DIRECTORS' RECOMMENDATION

Our Directors, having considered all aspects of the Proposed Adoption of New Constitution, are of the opinion that the Proposed Adoption of New Constitution is in the best interest of the Company. Accordingly, they recommend that you vote in favour of the Special Resolution pertaining to the Proposed Adoption of New Constitution to be tabled at the forthcoming Thirteenth AGM.

8. AGM

The Thirteenth AGM of the Company, the Notice of which is enclosed in the Annual Report 2019 of the Company, will be held at Grand Ballroom, First Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Thursday, 14 November 2019 at 10.00 a.m., for the purposes of considering and, if thought fit, approving, inter alia, the Special Resolution on the Proposed Adoption of New Constitution, as Special Business.

If you are unable to attend and vote in person at the AGM, you are requested to complete, sign and return the Form of Proxy (available in the Annual Report 2019 of the Company) in accordance with the instructions printed thereon as soon as possible, in any event, so as to arrive at the office of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia before 12.00 p.m. on 13 November 2019 or not less than twenty-four (24) hours before the time appointed for the taking of the poll at the AGM, whichever is the later.

The completion and lodgment of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently decide to do so.

9. FURTHER INFORMATION

Shareholders are advised to refer to the attached Appendices for further information.

Yours faithfully
for and on behalf of the Board of Directors of
SIME DARBY BERHAD

TAN SRI DATO' SRI DR WAN ABDUL AZIZ WAN ABDULLAH
Chairman

FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

This Statement/Circular has been seen and approved by the Board of Director and they individually and collectively accept full responsibility for the accuracy of the information contained in this Statement/Circular and confirm that after making all reasonable enquiries, to the best of their knowledge and belief, there are no other facts, the omission of which will make any statement herein false or misleading.

2. MATERIAL CONTRACTS

Save as disclosed below, there is no material contract which has been entered into by the Sime Darby Group during the two (2) years immediately preceding this Statement/Circular, other than contracts entered into in the ordinary course of business:

- (i) On 24 November 2017, Mulligan International B.V (“MIB”), an indirect wholly-owned subsidiary of Sime Darby, completed the acquisition of 90% equity interest in PT Tamiyang Sumber Rezeki for a total cash consideration of IDR77.5 billion (equivalent to approximately RM23.6 million), which translates to approximately IDR3.9 million (equivalent to approximately RM1,180 or USD287) per hectare of the land referred to below, from Ir. Badai Sakti Daniel (89.19%) and Bapak Muh. Perkasa Tegaryza Daniel (0.81%) (collectively, the “Vendors”) upon fulfilment of the conditions precedent pursuant to the Conditional Share Sale and Purchase and Subscription Agreement (“CSPA”) entered into between MIB and the Vendors on 4 March 2014 as amended by the supplemental agreements to the CSPA dated 26 January 2015, 26 July 2016 and 24 November 2017, respectively.
- (ii) On 29 June 2018, Sime Darby Overseas (HK) Limited, an indirect wholly-owned subsidiary of Sime Darby incorporated in Hong Kong, entered into a share purchase agreement with Shandong Water Environmental Protection Group Co., Ltd (“SWEPEG”) to divest its entire 100% equity interest in Weifang Sime Darby Water Management Co., Ltd, an indirect wholly-owned subsidiary of Sime Darby incorporated in the People’s Republic of China, to the SWEPEG for a total cash consideration of USD68,010,761 (equivalent to approximately RMB450.0 million or RM275 million). The divestment was completed on 27 September 2018.
- (iii) On 29 October 2018, Sime Darby Allied Operations Pty Ltd, an indirect wholly-owned subsidiary of Sime Darby, entered into a conditional share purchase agreement with Pemba Capital Partners Fund I Partnership LP and other minority interests to acquire the entire issued share capital in Heavy Maintenance Group Pty Ltd (“HMG”) for a consideration of AUD58 million (equivalent to approximately RM172 million) on a cash-free and debt-free basis. The acquisition was completed on 3 December 2018.
- (iv) On 21 December 2018, Chengdu Bow Yue Vehicle Company Limited, an indirect wholly-owned subsidiary of Sime Darby, entered into an equity transfer agreement with Yunnan Kai Cheng Economic and Trading Co., Ltd. and Heshan Shunwei Property Management Co., Ltd. for the acquisition of 65% of the equity interest in Qujing Bow Kai Motors Sales & Services Co. Ltd. (“QJBK”) for a cash consideration of RMB19.50 million (equivalent to approximately RM11.83 million). The acquisition was completed on 18 January 2019.
- (v) On 8 January 2019, Sime Darby Motor Group (HK) Limited, an indirect wholly-owned subsidiary of Sime Darby, completed the disposal of its entire 100% equity interest in Elite Motors Limited to Ankor Motors Limited (“Ankor”) for a total cash consideration of HKD3,500,000.00 (equivalent to approximately RM1,836,240.00) pursuant to a share purchase agreement entered into with Ankor on 7 January 2019.

FURTHER INFORMATION (*Continued*)

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- (vi) On 1 April 2019, Sime Darby Industrial Holdings Sdn. Bhd., a direct wholly-owned subsidiary of Sime Darby, completed the disposal of its 53% equity interest in Sime Kubota Sdn. Bhd. to Kubota Corporation (“Kubota”) for a total cash consideration of RM25,868,187.50 based on the average comparable and trading multiples for the industry pursuant to a Share Sale Agreement entered into with Kubota on 1 April 2019.
 - (vii) On 30 April 2019, Sime Darby Holdings Berhad (“SDHB”), a direct wholly-owned subsidiary of Sime Darby, completed the disposal of its 100% equity interest comprising 5,505,928 ordinary shares in Sime Darby Global Services Centre Sdn Bhd (“SDGSC”) to DXC Technology (“DXC”) pursuant to a Sale and Purchase Agreement entered into between SDHB and Entserv Malaysia Sdn Bhd, a company within the DXC Group. The sale consideration (based on the net asset value of SDGSC as at 30 April 2019) is expected to be finalised at RM3.6 million in October 2019.
 - (viii) On 4 June 2019, Sime Darby Industrial Sdn. Bhd. (“SDISB”), an indirect wholly-owned subsidiary of Sime Darby, completed the disposal of its 100% equity interest comprising 7,497,167 ordinary shares in Sime Darby Industrial Power Systems Sdn. Bhd. (“SDIPS”) to Cenergi Re Sdn. Bhd. (“Cenergi Re”) pursuant to a Conditional Share Purchase Agreement entered into between SDISB and Cenergi Re. The total consideration of the disposal was RM16.5 million based on potential future earnings of SDIPS.
 - (ix) On 13 August 2019, Sime Darby (NZ) Holdings Limited, an indirect wholly-owned subsidiary of Sime Darby incorporated in New Zealand, entered into a share purchase agreement with Gough Holdings Limited to acquire the entire issued share capital in Gough Group Limited for a gross consideration of NZD211 million (equivalent to approximately RM572 million). The acquisition is expected to be completed before 30 September 2019.
 - (x) On 10 September 2019, Sime Darby’s wholly-owned subsidiaries under Sime Darby Motors Sdn Bhd, which in turn is a wholly-owned subsidiary of Sime Darby, entered into definitive agreements with Trivett, the automotive retail unit of Inchcape Australia Limited, to acquire three luxury car dealerships in Sydney, Australia for a consideration of AUD112 million (equivalent to approximately RM321 million). The three dealerships represent the BMW, MINI, Volkswagen, Jaguar and Land Rover marques.

3. MATERIAL LITIGATION

Save as disclosed below, the Sime Darby Group is not engaged in any material litigation, claim or arbitration, either as plaintiff or defendant. Save as disclosed below, our Directors are not aware of any proceeding, pending or threatened against the Company and/or its subsidiaries, or of any fact likely to give rise to any proceeding which might materially or adversely affect the position or business of the Company and/or its subsidiaries:

- (i) **Qatar Petroleum Project (“QP Project”), Maersk Oil Qatar Project (“MOQ Project”) and the Marine Project Civil Suit (“Oil & Gas Suit”)**

On 23 December 2010, Sime Darby and four subsidiaries (collectively, “the Plaintiffs”) filed a civil suit against Dato’ Seri Ahmad Zubair @ Ahmad Zubir Hj Murshid, Dato’ Mohamad Shukri Baharom, Abdul Rahim Ismail, Abdul Kadir Alias and Mohd Zaki Othman (collectively, “the Defendants”) for damages arising from the Defendants’ negligence and breaches of duty relating to the QP Project, the MOQ Project and the project relating to the construction of a derrick lay barge for an aggregate amount of RM93 million and USD79 million (equivalent to RM327 million) together with general and aggravated damages and other relief.

FURTHER INFORMATION (*Continued*)

On 13 June 2014, all the Defendants consented to an Interlocutory Judgement being recorded on the Defendants' liability with damages to be assessed by the Court. The Plaintiffs shall be permitted to enforce any final judgement entered after the assessment of damages, upon recovering all claims from the QP and MOQ projects and proceeds from the sale of the derrick lay barge, or after the expiry of 3 years from the date of final judgement, whichever is earlier.

The Plaintiffs have filed a Notice of Application for directions to assess damages. The hearing date has been fixed from 22 to 25 October 2019.

Counsel is of the view that as the Defendants have consented to judgement in respect of liability, the only outstanding matter would be the assessment of damages to ascertain the actual losses suffered by the Plaintiffs which would largely depend on the documents available and the evidence given to establish such losses. The damages recoverable by the Plaintiffs will also have to exclude all amounts recovered from the respective employers for the QP and MOQ Projects and the proceeds of the sale of the derrick lay barge in regards of the Marine Project within the time frame stipulated.

(ii) **Bakun Hydroelectric Project ("Bakun Project") and the Indemnity Agreement Civil Suit ("Bakun Suit")**

On 24 December 2010, Sime Darby and three subsidiaries (collectively, "the Plaintiffs") filed a civil suit against Dato' Seri Ahmad Zubair @ Ahmad Zubir Hj Murshid, Dato' Mohamad Shukri Baharom ("DMS") and Abdul Rahim Ismail (collectively, "the Defendants") for damages in connection with the Defendants' negligence and breaches of duty relating to the Package CW2-Main Civil Works for the Bakun Project and in respect of the Receipt, Discharge and Indemnity Agreement dated 12 January 2010 given to DMS for an aggregate amount of RM91 million together with general and aggravated damages to be assessed and other relief.

On 13 June 2014, all the Defendants consented to an Interlocutory Judgement being recorded on the Defendants' liability and for damages to be assessed by the Court. The Plaintiffs shall be permitted to enforce any final judgement entered after the assessment of damages, upon the Malaysia-China Hydro Joint Venture receiving full settlement from Sarawak Hidro Sdn Bhd or the Ministry of Finance in relation to the Bakun Project, or after the expiry of 3 years from the date of final judgement, whichever is earlier.

The Plaintiffs have filed a Notice of Application for directions to assess damages. The Registrar directed that the Plaintiffs' application for assessment of damages for the Oil & Gas Suit and the Bakun Suit be heard separately and that the assessment of damages for the Oil & Gas Suit will be heard first before the Bakun Suit.

Counsel is of the view that as the Defendants have consented to judgement in respect of liability, the only outstanding matter would be the assessment of damages to ascertain the actual losses suffered by the Plaintiffs which would largely depend on the documents available and the evidence given to establish such losses. The damages recoverable by the Plaintiffs will also have to exclude all amounts recovered from Sarawak Hidro Sdn Bhd and/or the Ministry of Finance in relation to the Bakun Project within the time frame stipulated.

FURTHER INFORMATION (*Continued*)(iii) **Emirates International Energy Services (“EMAS”)**

On 13 January 2011, EMAS filed a civil suit in Abu Dhabi against Sime Darby Engineering Sdn Bhd (“SDE”) claiming payment of USD178 million (approximately RM738 million) comprising a payment of USD128 million (approximately RM530 million) for commissions; and a payment of USD50 million (approximately RM207 million) as “morale compensation”.

EMAS was unsuccessful in its claim against SDE in Abu Dhabi, and subsequently on 24 January 2016 submitted a request for arbitration against SDE to the Dubai Chamber of Commerce and Industry, claiming an amount of AED41 million (approximately RM46 million).

On 23 December 2018, the arbitration tribunal rejected all claims by EMAS against SDE and ordered EMAS to pay for SDE’s portion of the arbitration costs and the tribunal fees and expenses.

On 7 April 2019, EMAS filed an application at the Abu Dhabi Court of Appeal (“COA”) to seek the annulment of the tribunal award on the basis that the award was issued beyond the tribunal’s mandated time to which SDE filed an objection. The hearing has been adjourned to 19 September 2019.

SDE’s counsel is optimistic of SDE’s chances of success.

(iv) **Claim against Qatar Petroleum (“QP”)**

On 15 August 2012, Sime Darby Engineering Sdn Bhd (“SDE”) filed a Statement of Claim at the Qatar Court against QP for the sum of QAR1 billion (approximately RM1.1 billion) seeking the repayment of a liquidated performance bond, payment of outstanding invoices, compensation and additional costs incurred in relation to an offshore engineering project in Qatar undertaken by SDE pursuant to a contract dated 27 September 2006.

On 21 July 2016, the Court ordered QP to pay QAR12.9 million (approximately RM14.6 million) to SDE (“Judgement”) and both parties have appealed to the Court of Appeal against the Judgement. The Court of Appeal then referred the matter to court experts to examine the appeal.

The experts in their report recommended the payment of QAR12.9 million (approximately RM14.6 million) to SDE. On 28 April 2019, both SDE and QP filed an application to challenge the experts’ report.

The Court of Appeal issued its judgment on 29 July 2019, rejecting both parties’ appeals. Parties have the right to submit an appeal within 60 days thereafter.

SDE’s counsel is of the view that, in the event of any appeal from either party, the Court of Cassation is likely to uphold the decision of the Court of Appeal unless it finds that the Court of Appeal’s judgment is erroneous.

(v) **B-193 Process Platform Project (“PP Project”)**

SDE and SOC entered into a Consortium Agreement to govern their relationship as a consortium (“the Consortium”) to undertake works relating to the PP Project awarded by ONGC. A contract dated 3 July 2010 was executed for a total contract price of USD618 million (approximately RM2.6 billion).

FURTHER INFORMATION (*Continued*)

Disputes have arisen between the Consortium and ONGC and on 1 June 2016, the Consortium initiated arbitration proceedings against ONGC. SDE's portion of the Consortium's claim is circa USD76 million (approximately RM315 million).

On 22 March 2018, the tribunal ordered ONGC to pay the Consortium a net sum of USD5.12 million (approximately RM21 million) as full and final settlement of all claims. On 27 March 2018, ONGC filed an application at the High Court in Mumbai, India to set aside the arbitration award.

The Court allowed ONGC to amend its application to set aside the arbitration award and granted ONGC a two-week extension from 9 September 2019 for ONGC to submit its amended application.

The Consortium's Counsel is unable to predict at this juncture the chances of success of ONGC's application to set aside the arbitration award.

(vi) **CCCC Tianjin Dredging Co., Ltd. v Weifang Port Services Co., Ltd. and Weifang Port Group Co., Ltd.**

Weifang Port Services Co., Ltd. ("WPS") is a joint venture company between Weifang Port Group Co., Ltd. ("WPG") (38%), Weifang Sime Darby Port Co., Ltd. ("WSDP") (37%) and Shandong Hi-speed Transport & Logistics Investment Co., Ltd. (25%). WSDP is an indirect 99%-owned subsidiary of Sime Darby.

CCCC Tianjin Dredging Co., Ltd. ("Tianjin Dredging") was engaged to construct a 35,000 deadweight tonne ("DWT") main channel in Weifang, Shandong Province, People's Republic of China (the "Project"). Under the terms of engagement, both WPG and WPS are jointly liable for any payments due to Tianjin Dredging.

The Project was completed in November 2016 at total cost of approximately RMB1.17 billion (RM705 million).

On 31 July 2018, Tianjin Dredging (the "Plaintiff") filed a lawsuit in the Qingdao Maritime Court against WPS ("First Defendant") and WPG ("Second Defendant") claiming the outstanding sum of the RMB741 million (RM446 million) plus interest, in addition to legal costs and costs for preservation of assets.

On 26 July 2019, WPS received the Court's decision which was in favour of the Plaintiff. The Court ordered for the Defendants to pay the Plaintiff the outstanding sum of RMB711 million (approximately RM428 million) ("Outstanding Sum"), costs of RMB3.6 million (equivalent to approximately RM2.2 million) and late payment interests. WPS filed an appeal against the Court's decision on 7 August 2019 to dispute the calculation of late payment interests.

The Plaintiff had filed a second lawsuit against WPS, WPG and subsidiaries of WPS (Weifang Port Operating Management Co. Ltd and Weifang Port Dredging Project Co. Ltd) for the Court to confirm its right of first claim with respect to auction proceeds (from the sale of assets owned by WPS and its subsidiaries) and for litigation costs to be borne by the Defendants. The next court session is fixed on 26 September 2019.

WPS's counsel is of the view that the Court will likely confirm the Plaintiff's right of first claim and decide in favour of the Plaintiff by ordering the Defendants to pay and settle the Outstanding Sum and late payment interests.

FURTHER INFORMATION *(Continued)*

4. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during normal office hours at the Registered Office of the Company at Level 9, Menara Sime Darby, Oasis Corporate Park, Jalan PJU 1A/2, Ara Damansara, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia from the date of this Statement/Circular up to and including the date of the AGM:

- (i) the Constitution of the Company;
- (ii) the audited consolidated financial statements of the Sime Darby Group for the past two (2) financial years ended 30 June 2018 and 30 June 2019;
- (iii) the material contracts referred to in Section 2 of this Appendix I; and
- (iv) the relevant cause papers in respect of material litigation referred to in Section 3 of this Appendix I.

EXTRACT OF THE NOTICE OF THE THIRTEENTH AGM

AS SPECIAL BUSINESS

RESOLUTION 9

To consider and, if thought fit, pass the following Ordinary Resolution:

Proposed Renewal of Share Buy-Back Authority for the Company to Purchase its Own Shares of up to Ten Percent (10%) of the Total Number of Issued Shares of the Company (Proposed Share Buy-Back)

“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:

- (a) the aggregate number of shares purchased (which are to be treated as treasury shares) does not exceed ten percent (10%) of the total number of issued shares of the Company; and
- (b) the funds allocated for the purchase of shares shall not exceed its retained profits.

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, transferred, cancelled and/or in any other manners as prescribed by the Companies Act 2016, and the relevant rules, regulations and/or requirements).

AND THAT such authority shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (AGM); or
- (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 is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise and give full effect to the Proposed Share Buy-Back with full power to assent to any conditions, modification, variations and/or amendments as may be imposed by the relevant authorities.”

RESOLUTION 10

To consider and, if thought fit, pass the following Ordinary Resolution:

Proposed Renewal of Shareholders’ Mandate for Existing Recurrent Related Party Transactions and Proposed New Shareholders’ Mandate for Additional Recurrent Related Party Transactions of a Revenue or Trading Nature (Proposed Shareholders’ Mandate)

“THAT, in accordance with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities), and subject to the Companies Act 2016 (CA 2016), the Constitution of the Company, other applicable laws, guidelines, rules and regulations, and the approvals of the relevant governmental and/or regulatory authorities, approval be and is hereby given to the Company and/or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.3 of Part B of the Circular to Shareholders dated 16 October 2019 despatched together with the Annual Report, which are necessary for the day-to-day operations in the ordinary course of business of the Company and/or its subsidiary companies on normal commercial terms which are not more favourable to the related parties than those generally available to the public, undertaken on arm’s length basis, and are not detrimental to the minority shareholders of the Company (Mandate);

EXTRACT OF THE NOTICE OF THE THIRTEENTH AGM (Continued)

THAT the Mandate shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (AGM) of the Company following this AGM at which such Mandate is passed, at which time it will lapse, unless by an ordinary resolution passed at that meeting whereby the Mandate is renewed; or
- (b) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of CA 2016 (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of CA 2016); or
- (c) the Mandate is revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Mandate.”

RESOLUTION 11

To consider and, if thought fit, pass the following Special Resolution:

Proposed Adoption of the New Constitution of the Company (Proposed Adoption of New Constitution)

“THAT approval be and is hereby given to revoke the existing Constitution of the Company with immediate effect and in place thereof, the proposed new Constitution of the Company as set out in Part C of the Circular to Shareholders dated 16 October 2019 accompanying the Company’s Annual Report for the financial year ended 30 June 2019 be and is hereby adopted as the new Constitution of the Company AND THAT the Directors of the Company be and are hereby authorised to assent to any modification, variation and/or amendment as may be required by the relevant authorities and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing.”

**THE COMPANIES ACT, 2016
MALAYSIA**

PUBLIC COMPANY LIMITED BY SHARES

CONSTITUTION

of

**SIME DARBY BERHAD
(Company No. 752404-U)**

Incorporated on the 7th day of November 2006

Company No.

752404	U
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THE COMPANIES ACT, 2016

MALAYSIA

PUBLIC COMPANY LIMITED BY SHARES

CONSTITUTION

of

SIME DARBY BERHAD

- | | | |
|-----|--|------------------------|
| 1. | The name of the Company is SIME DARBY BERHAD | Name |
| 2. | The registered office of the Company will be situated in Malaysia. | Registered Office |
| 3. | The objects for which the Company is established are – | Objects of the Company |
| 3.1 | To carry on the business of manufacturers, assemblers, dealers, exporters, importers, hirers, repairers, cleaners, storage and warehouse of tractors, bulldozers, excavators, agricultural machinery, cranes, earthmovers, lifting machines, power tillers, agricultural implements, movers, chain saw, sawing or cutting equipment, power generators, vehicles, automobiles, motor cars, lorries, motorcycles, aeroplanes, bicycles and other vehicles suitable for propulsion on land sea or air or any combination thereof and vehicles and machinery of all kinds whether moved or driven, by mechanical power or not and all machinery, implements, utensils, appliances, apparatus, motors, lubricants, cements, solutions, enamels, hardware, ironmongery, paints, varnishes, enamels, solutions, compounds, oils, grease, lubricants, petrols, fuels, and petroleum products of all kinds, wholesale or retail of ironmongers, builders' material, timber, household utensil, china, glass, household fitting, electrical appliances, wiring and materials, wireless apparatus, and such other goods as may be conveniently sold therewith, and all things capable of being used therewith or in the manufacture, maintenance and working thereof. | |

- 3.2 To operate commercial business activities which includes the provision of sale, supply and transportation of Bio Compressed Natural Gas (BIOCNG) to customers, to carry out the design, construction, installation, commissioning and operation of Pressure Regulating Unit (PRU) at each customer's premises, to purchase, operation and outsourcing of BIOCNG trailers to transport the BIOCNG from BIOCNG's facility plant to the PRU located at customer locations, to engage in any activity and the pursuit of and in conformity with the Company's objectives and purposes, to apply for or purchase, otherwise acquire, contract or decree or in relation to execute contracts, carry out any activities involving contract or acquisition of BIOCNG, to undertake and execute contract for supply of BIOCNG and carry out any other works comprised in such contract, to provide management services and to enter into lease and credit sales agreement.
- 3.3 To carry on the business of importers, exporters, distributors, wholesalers, dealers and retailers of all kinds of vehicles, spare parts, accessories and component parts of vehicles; provision of after-sales services; assembling and/or producing all kinds of vehicles, motor engines parts thereof, spare parts, accessories and component parts thereof; renting and leasing of all kinds of vehicles and hiring services and facilities relating thereto; and to act as manufacturer's representative, agent and to appoint distributors, wholesalers, dealers for all such goods and to prepare, manufacture and render marketable any such goods.
- 3.4 To carry on the businesses of ports and logistics operation as well as water treatment and distribution, which includes stevedoring and storage services for various types of cargo, maintenance of port facilities, navigation channel, roads and other infrastructures within the operation area, provision of value-added services comprising tallying and tugging; container-related services; washing and blending of cargo, sorting and re-packing of general cargo and stack yard operation, supplying of treated water to residential, commercial and industrial users. This includes managing paperwork, leases, safety and port security.
- 3.5 To carry on the business of establishing, setting, running, managing, administering, maintaining hospitals, clinics, dispensaries, maternity homes, medical centres, diagnostic centres, critical care centers, rehabilitation centres, paediatric centres, recovery rooms, nature cure centres, x-ray, ECG, and other clinics, sanatoriums, nursing homes, research and investigations, development, training institutes in medical and surgical fields as well as to carry on the business of chemists, druggist, exporters, importers, manufacturers and dealers of pharmaceutical, medical, chemical, parenteral preparations, tablets, capsules, oral liquids, ointments and other external preparations, fine chemicals used in pharmaceuticals and other preparations, ray, radium treatment, surgical and scientific apparatus and materials.

- 3.6 To carry on the business of insurance brokers and insurance agents in all classes of insurance and to underwrite all branches of general insurance business under the power of attorney as agents for and on behalf of insurance companies and bodies of persons carrying on insurance business and to act as agents, commission agents, claim adjustors, representatives, surveyors, sub-insurance agents, consultants, advisors, collaborators in life and general insurance; and to establish and carry out on in any part of the world the business of takaful and re-takaful brokers, agents, consultants, advisers and managers including for family solidarity business (Islamic alternative to life insurance) and general takaful business (Islamic alternative to non-life insurance) and to do all such acts and things that are incidental or conducive to the attainment of those objects.
- 3.7 To carry on the business as retailers, agents, distributors, merchants, importers, exporters, traders, contractors, warehousemen and to establish, maintain, operate and/or run agency lines in goods, stores, consumable items, durable merchandise, chattels and effects of every kind and description in any place in the world and without limiting the generality of the above, to carry on business as selling agents, buying agents, factors, carriers, landing clearing and forwarding agents, commission agents, insurance agents, distributors and stockist, brokers and/or in any other capacity.
- 3.8 To establish and maintain or provide or procure the establishment and maintenance of any non-contributory or contributory pension, provident or superannuation funds or other pension funds or such other funds as the Board may deem fit and to make or establish such arrangements or schemes for the benefit of and to give or procure the giving of donations, gratuities, pensions, allowances, emoluments or other moneys to or for the benefit of any persons who are or were at any time in the employment or service of the Company or its predecessors in business or of any company which is a subsidiary of the Company or is allied to or associated with the Company or with any such other company, as the Company deems fit, or who are or were at any time Directors or officers of the Company or of any such predecessors or other company as aforesaid, and the wives, widows, families and dependants of any such persons, and also to establish and subsidise or subscribe to any institutions, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid, and to make any payments for or towards the insurance of any such persons as aforesaid, and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object and to do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.
- 3.9 To carry on the business as an investment company and for that purpose to acquire and hold either in the name of the Company or in that of any nominee shares, stocks, debentures, debenture stock, bonds, notes and to invest or to deposit or to hold funds in such articles (including gold, silver, jewellery, platinum, precious stones) and acquire, purchase, sell or let on hire the same and materials, articles or things, obligations and securities issued or guaranteed by any company wherever incorporated or carrying on business and debentures, debentures stock bonds, notes, obligations and securities issued or guaranteed by any government sovereign ruler, commissioner, public body or authority, supreme independent, municipal local or otherwise in any part of the world either at the Company's office or any other places of safe custody.

Company No.

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- 3.10 To carry on any other business, including manufacturing, which may seem to the Company capable of being conveniently carried on in connection with any business of the Company or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or assets.
- 3.11 To acquire by purchase or otherwise for any estate or interest, and to hold for investment, real and personal property of every description.
- 3.12 To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property, patents, patent rights, trademarks, licenses, protections, rights and privileges which the Company may think necessary or convenient for the purpose of its business and to grant royalties, licenses or privileges in respect thereof and to expend money in experimenting upon and testing or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire.
- 3.13 To make financial or other provision for any national, local, charitable, benevolent, public, general or useful object, or for any exhibition or competition, or for any purpose which may be considered likely directly or indirectly to further the objects of the Company or the interests of its members.
- 3.14 To do all or any of the things and matters aforesaid in any part of the world, and either as principals, agents, contractors, trustees or otherwise and by or through trustees, agents or otherwise, and either alone or in conjunction with others.
- 3.15 To do such other things as may be considered to be incidental or conducive to the above objects or any of them.

And it is hereby declared that the objects of the Company as specified in each of the foregoing paragraphs of this Rule (except only if and so far as otherwise expressly provided in any paragraph) shall be separate and distinct objects of the Company and shall not be in any way limited by reference to any other paragraph or the name of the Company.

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| 4. | The Company has the full rights, powers and privileges for the purpose of carrying out the objects as specified under Rule 3 or otherwise permitted by law. | Powers of the Company |
| 5. | The liability of the Members of the Company is limited. | Liability of Members |
| 6. | 6.1 Definitions and Interpretation | Definitions |

In this Constitution unless the subject matter or context dictates otherwise, the following words and phrases shall have the meaning assigned to them herein
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“Act” means the Companies Act, 2016 and any statutory modification, amendment or re-enactment thereof and any and every other legislation for the time being in force made thereunder and any written law for the time being in force concerning companies and affecting the Company;

“Alternate Director” means any person who has been appointed and for the time being holds office as an alternate director of the Company in accordance with the provisions of this Constitution;

“Auditors” means the auditors of the Company from time to time;

“Authorised Nominee” means a person who is authorised to act as nominee as specified under the CD Rules;

“Beneficial Owner” in relation to Deposited Securities, means the ultimate owner of the Deposited Securities who is the person who is entitled to all rights, benefits, powers and privileges and is subject to all liabilities, duties and obligations in respect of, or arising from, the Deposited Securities, and does not include a nominee of any description;

“Board” means the board of directors of the Company who number not less than the required quorum acting as a board of directors, and if the Company only has one (1) Director, then that Director;

“CD Rules” means the Rules of the Central Depository;

“Central Depositories Act” means the Securities Industry (Central Depositories) Act 1991 and every statutory amendment, modification or re-enactment thereof for the time being in force;

“Central Depository” means Bursa Malaysia Depository Sdn. Bhd. and its successors in title and permitted assigns;

“Company” means Sime Darby Berhad;

“Constitution” means this constitution as originally framed or as altered from time to time by Special Resolution;

“Deposited Securities” means Securities standing to the credit of a Securities Account and includes Securities in a Securities Account that is in suspense;

“Depositor” means a holder of a Securities Account;

“Director” means a person who has been appointed and for the time being holds office as a director of the Company in accordance with the provisions of the Act and this Constitution and, unless the context otherwise provides or requires, includes an Alternate Director;

“Electronic Address” means any electronic mail address or mobile or contact number used for the purpose of issuing, sending or receiving documents and/or information by electronic means;

“Electronic Form” means the issuing, sending or receiving of documents and/or information (including for the purposes of complying with the Act or the Listing Requirements) via electronic means (which includes, but shall not be limited to CD-ROM, USB Drives, publishing on the Company’s website or by any other electronic mode of communication);

“Exempt Authorised Nominee” means an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of subsection 25A(1) of the Central Depositories Act;

“the General Meeting Record of Depositors” means the Record of Depositors as at the latest date which is reasonably practicable which shall in any event be not less than three (3) Market Days before a general meeting and issued by the Central Depository to the Company;

“Independent Director” shall have the meaning ascribed to it in the Listing Requirements;

“Listed” means admitted to the Official List and “listing” shall be construed accordingly;

“Listing Requirements” means the Main Market Listing Requirements of Bursa Malaysia Securities Berhad including any amendment or modification to the same that may be made from time to time;

“Market Day” means any day between Mondays to Fridays which is not a market holiday of the Stock Exchange or a public holiday;

“Member(s)” means any person(s) for the time being registered as the holder of shares in the share capital of the Company in the Register of Members (except Bursa Malaysia Depository Sdn. Bhd. in its capacity as bare trustee) and any Depositor(s) whose name appears on the Record of Depositors and who has a credit balance of shares in the Company in his or her Securities Account who shall be treated as if he were a Member pursuant to Section 35 of the Central Depositories Act;

“Ordinary Resolution” shall have the meaning ascribed to it in Section 291 of the Act;

“Record of Depositors” means a record provided by the Central Depository to the Company pursuant to an application under Chapter 24.0 of the CD Rules;

“Register of Members” means the register of members to be kept pursuant to the Act;

“Rule” means a rule contained in this Constitution;

“the Seal” means the common seal of the Company;

“the Secretary” means any person or persons appointed to perform the duties of the secretary of the Company and shall include a joint, temporary, assistant or deputy secretary;

“Securities” means securities as defined in Section 2 of the Capital Markets and Services Act 2007 or any modification, amendment or re-enactment thereof for the time being in force;

“Securities Account” means an account established by the Central Depository for a Depositor for the recording of deposits of Securities and for dealing in such Securities by the Depositor as defined in the Central Depositories Act and/or the CD Rules;

“Securities Regulations” means the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 or any modification, amendment or re-enactment thereof for the time being in force;

“Special Resolution” shall have the meaning ascribed to it in Section 292 of the Act;

“Stock Exchange” means Bursa Malaysia Securities Berhad and its successors in title and permitted assigns;

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| 6.2 | Reference to "writing" or “written” shall, unless the contrary intention appears, include references to typewriting, printing, lithography, photography, electronic storage or transmission and other modes, whether in hardcopy or in Electronic Form, of representing or reproducing words in a visible form and/or method of recording information or fixing information in a form capable of being preserved. | Interpretation |
| 6.3 | Words denoting the singular number only shall include the plural number and vice versa. | |
| 6.4 | Words importing the masculine gender only shall include the feminine gender. | |
| 6.5 | Words importing persons shall include corporations. | |
| 6.6 | The expressions “debenture” and “debenture holder” shall include “debenture stock” and “debenture stockholder” | |
| 6.7 | Save as aforesaid any words or expressions defined in the Act, the Central Depositories Act, the Listing Requirements and the CD Rules shall where the context so admits bear the same meaning in this Constitution. | |
| 6.8 | All references to time as regards notices or otherwise shall refer to Malaysian time. | |
| 6.9 | Where by this Constitution, a minimum period is prescribed within which an act is to be done or omitted to be done and such minimum period is less than the minimum period required by any law or the Listing Requirements from time to time, such minimum period as set out in this Constitution shall be increased to such minimum period as may be required by law or the Listing Requirements. | |
| 6.10 | Where by this Constitution, a maximum period is prescribed within which an act is to be done or omitted to be done and such maximum period exceeds the maximum period imposed by any law or the Listing Requirements from time to time, such maximum period as set out in this Constitution shall be decreased to such maximum period as may be permitted by law or the Listing Requirements. | |

SHARE CAPITAL

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| 7. | The share capital of the Company is its issued share capital. The said shares shall carry the respective rights as set out in this Constitution. | Share capital |
| 8. | 8.1 The Company may allot preference shares or convert any issued shares into preference shares. | Preference shares |

- 8.2 Without prejudice to any special rights previously conferred on the holders of any shares or class of shares already issued, any shares in the Company (whether forming part of the original capital or not) may be issued with or have attached thereto such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine, provided that –
- (a) the holders of preference shares shall have the same rights as the holders of ordinary shares as regards receiving notices, reports and audited accounts and attending general meetings of the Company but shall only have the right to vote in each of the following circumstances –
- (i) when the dividend or part of the dividend on the share is in arrears for more than six (6) months;
 - (ii) on a proposal to reduce the Company’s share capital;
 - (iii) on a proposal for the disposal of the whole of the Company’s property, business and undertaking;
 - (iv) on a proposal that affects rights attached to the share;
 - (v) on a proposal to wind up the Company; and
 - (vi) during the winding-up of the Company.
- 8.3 Subject to the Act, any preference shares may be issued on the terms that they are, or at the option of the Company are liable, to be redeemed.
- 8.4 The repayment of preference capital other than redeemable preference capital, or any other alteration of preference shareholder rights, may only be made pursuant to a Special Resolution of the preference shareholders concerned, provided always that where the necessary majority for such a Special Resolution is not obtained at the meeting, consent in writing, if obtained from the holders of three-fourths of the preference capital concerned within two (2) months of the meeting, shall be as valid and effectual as a Special Resolution carried at the meeting.
9. Where the capital of the Company consists of shares of different monetary denominations, voting rights shall be prescribed in such a manner that a unit of capital in each class, when reduced to a common denominator, shall carry the same voting power when such right is exercisable. Voting rights of shares of different monetary denominations
10. 10.1 Unless otherwise provided in the Act, the Company shall not – Financial assistance
- (a) give any financial assistance, whether directly or indirectly and whether by means of a loan, guarantee or provision of security or otherwise, for the purpose of or in connection with a purchase or subscription made or to be made by any person for any shares in the Company or any shares in the holding company, if any, of the Company;

- (b) in any way purchase, deal in or lend money on its own shares; or
- (c) give financial assistance, directly or indirectly for the purpose of reducing or discharging the liability, if a person has acquired shares in the Company or its holding company, if any, and the liability has been incurred by any person for the purpose of the acquisition of the shares.

10.2 The Company must comply with the relevant requirements of the Act and the Listing Requirements if it proposes to give financial assistance or purchase or deal in or lend money on its own shares in any manner which is permitted under the Act and the Listing Requirements.

MODIFICATION OF RIGHTS

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| 11. | 11.1 | Subject to sub-Rule 8.4, if the share capital is divided into different classes of shares, the rights attached to any class may be varied by a written consent representing not less than seventy-five per centum (75%) of the total voting rights of the Members in that class, or by a Special Resolution passed by Members in that class sanctioning the variation. | Variation of Members' rights |
| | 11.2 | <p>For the purposes of sub-Rule 11.1 –</p> <ul style="list-style-type: none"> (a) any amendment of a provision contained in the Constitution for the variation of the rights attached to a class of shares or the rights of a class of Members, or the insertion of any such provision into the Constitution, is itself to be treated as a variation of those rights; (b) references to the variation of rights attached to a class of shares or the rights of a class of Members include an abrogation of those rights; and (c) the issue by the Company of any preference shares ranking equally with existing preference shares issued by the Company shall be deemed to be a variation of the rights attached to those existing preference shares unless the issue of preference shares was authorised by the terms of issue of the existing preference shares or by this Constitution in force at the time the existing preference shares were issued. | |
| | 11.3 | <p>The provisions of the Act and this Constitution relating to general meetings shall apply to a meeting of holders of a class of shares convened to sanction a variation of class rights but the quorum shall be –</p> <ul style="list-style-type: none"> (a) for a meeting other than an adjourned meeting, two (2) persons present holding at least one-third (1/3) of the number of issued shares of that class, excluding any shares of that class held as treasury shares; and (b) for an adjourned meeting, one (1) person present holding shares of such class. | |
| | 11.4 | For the purposes of sub-Rule 11.3, where a person is represented by a proxy or proxies, he is treated as holding only the shares held in respect of which the proxy or proxies are authorised to exercise voting rights. | |
| | 11.5 | At a variation of class rights meeting, any holder of shares of such class or any Member present in person or by proxy, as the case may be, may demand a poll. | |

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11.6 A variation of class rights shall take effect in accordance with the Act and this Constitution.

12. Subject to Rule 11, the Company shall have the power to issue further preference capital ranking equally with or in priority to preference shares already issued.

SHARES

13. Subject to the provisions of the Act, Listing Requirements and this Constitution, the Directors may issue shares in the Company on such terms and conditions and at such time and consideration and with such preferred, deferred, or other special rights, restrictions or exclusions, whether in regard to dividend, voting, return of capital, or otherwise as the Directors may determine PROVIDED HOWEVER that – Authority of Directors to allot shares

13.1 shares in the Company shall not be issued to transfer a controlling interest in the Company without the prior approval of Members in general meeting;

13.2 in the case of shares other than ordinary shares, no special rights shall be attached until the same has been expressed in this Constitution.

The exercise of the aforesaid rights shall be without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares.

14. Subject to Rule 15, the Directors shall not exercise any power to –

14.1 allot shares in the Company;

14.2 grant rights to subscribe for shares in the Company;

14.3 convert any Securities into shares in the Company; or

14.4 allot shares under an agreement or option or offer,

unless the prior approval by way of Ordinary Resolution has been obtained.

Prior approval required before allotment of shares

15. Subject to the provisions of the Act, Listing Requirements and this Constitution, the requirements in Rule 14 shall not apply to –

15.1 an allotment of shares or grant of rights pursuant to an offer made to Members of the Company in proportion to the Members' shareholdings;

15.2 an allotment of shares or grant of rights pursuant to a bonus issue of shares to Members of the Company in proportion to the Members' shareholdings;

15.3 an allotment of shares to a promoter of the Company that the promoter has agreed to take; or

15.4 shares which are to be issued as consideration or part consideration for the acquisition of shares or assets by the Company and the Members of the Company have been notified of the intention to issue the shares at least fourteen (14) days before the issue of the shares.

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16. For the purposes of sub-Rule 15.4, Members of the Company are deemed to have been notified of the Company's intention to issue shares if –
- 16.1 a copy of the statement explaining the purpose of the intended issue of shares has been sent to every Member at his last known address according to the Record of Depositors; and
- 16.2 the copy of the statement has been advertised in one (1) widely circulated newspaper in Malaysia in the national language and one (1) widely circulated newspaper in Malaysia in the English language.

Notwithstanding the above, a Director shall not participate in an issue of shares of the Company unless the Members in general meeting have approved of the specific allotment to be made to such Director.

Issue of shares to Directors

17. Subject to any direction to the contrary that may be given by the Company in general meeting, any shares or other convertible Securities proposed to be issued shall before they are issued be offered to such persons as are at the date of the offer entitled to receive notices from the Company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of shares or convertible Securities offered and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or convertible Securities offered, the Directors may dispose of those shares or convertible Securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new shares or convertible Securities which (by reason of the ratio which the new shares or convertible Securities bear to shares or Securities held by the persons entitled to an offer of new shares or convertible Securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution.

Pre-emption rights of Members

18. Subject to the provisions of the Act, the Central Depositories Act and the CD Rules, the Company shall issue, allot Securities and despatch notices of allotment to the allottee and make an application for the quotations of such Securities –

- 18.1 within eight (8) Market Days of the final applications closing date for a public issue; or
- 18.2 within eight (8) Market Days of the final applications closing date for a rights issue; or
- 18.3 within eight (8) Market Days of the book closing date for a bonus issue; or
- 18.4 within eight (8) Market Days of the date of receipt of a notice of the exercise of an option together with the requisite payment for a share scheme for employees; or
- 18.5 within eight (8) Market Days of the date of receipt of a subscription form together with the requisite payment for conversion or exercise in respect of convertible Securities; or
- 18.6 such other period as may be prescribed under the Listing Requirements or by the Stock Exchange from time to time.

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Subject to the Listing Requirements and notwithstanding the existence of a resolution pursuant to Sections 75(1) and 76(1) of the Act, the Company shall not issue any shares or convertible Securities if the total number of those shares or convertible Securities when aggregated with the total number of any such shares or convertible Securities issued during the preceding twelve (12) months, exceed ten per cent (10%) of the total number of issued shares of the Company, except where the shares or convertible Securities are issued with the prior approval of the Company in general meeting of the precise terms and conditions of the issue.

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| 19. | The Company (or the Directors on behalf of the Company) may exercise the powers of paying commissions conferred by Section 80 of the Act, provided that the commission paid or agreed to be paid shall not exceed ten per cent (10%) of the price at which the shares in respect of which the commission is paid are issued and shall be disclosed in the manner required by that Section. The Company (or the Directors on behalf of the Company) may on any issue of shares pay such brokerage as may be lawful. | Power of paying commission |
| 20. | Subject to the restrictions and requirements in Section 130 of the Act being observed, where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may pay returns on the amount of such share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in the Act, and may charge the same to share capital as part of the cost of construction or provision. | Shares issued for the purposes of raising money for the construction of works or building |
| 21. | Except as authorised by law, no person shall be recognised by the Company as holding any Securities upon any trust, and the Company shall not be bound by or recognise any equitable, contingent, future or partial interest in any Securities or (except only as by this Constitution, the CD Rules or by law otherwise provided) any interest in any fractional part of a Security or any other right in respect of any Securities, except an absolute right to the entirety thereof in the registered holder. | Trust not to be recognised |
| 22. | The Company must not cause or authorise its share registrars to cause the allottees to be credited with the additional Securities until after the Company has filed with the Stock Exchange any applications for listing such additional Securities and has been notified by the Stock Exchange that the additional Securities had been authorised for listing. | Crediting Securities after Stock Exchange filing |

LIEN

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| 23. | Subject to the Act, the Central Depositories Act and the CD Rules, the Company shall have a first and paramount lien on every share (not being a fully paid share) and the dividends from time to time declared on such shares. The Company's lien on shares and dividends shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the Company may be called upon by law to pay and has paid in respect of the shares of the Member or deceased Member. | Lien on shares and dividends |
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24. Subject to the Act, the Central Depositories Act and the CD Rules, the Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen (14) days after a notice in writing, stating and demanding payment of the sum presently payable and giving notice of intention to sell in default, shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy. Power to enforce lien by sale
25. To give effect to any such sale, the Directors may authorise some person to transfer subject to the Act, the Central Depositories Act and the CD Rules, the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable and any residue shall be paid to the person entitled to the share at the date of the sale, subject to a similar lien for the sums not presently payable which exists over the shares before the sale. Application of proceeds of sale

CALLS ON SHARES

26. The Directors may from time to time make calls upon the Members in respect of any monies unpaid on their shares, provided that (except as otherwise fixed by the terms of issue) no call on any share shall exceed one-fourth (1/4) of the issued price of the share or be payable at less than two (2) months from the last call; and each Member shall (subject to his being given at least one (1) months' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. Directors' discretion to make calls
27. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments. A call may be revoked or postponed as the Directors may determine. Call deemed made
28. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay compensation on that sum from that day to the time of actual payment at such rate, not exceeding eight per cent (8%) per annum, as the Directors may determine, but the Directors shall be at liberty to waive payment of such compensation wholly or in part. Compensation for late payment of calls
29. Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date, shall for all the purposes of this Constitution be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable and in case of non-payment all the relevant provisions of this Constitution as to payment of compensation and expenses, forfeiture and otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

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30. On the trial or hearing of any action for the recovery of any money due for any call, it shall be sufficient to prove that the name of the Member sued is entered in the Register of Members or is recorded in the Record of Depositors as the holder of the shares in respect of which such debt accrued, that the resolution making the call is duly recorded in the minutes book, and that the notice of such call was duly given to the Member sued in pursuance of this Constitution; and it shall not be necessary to prove the appointment of the Directors who made such call, nor that the meeting at which any call made was duly convened and constituted nor any other matters whatsoever, and the proof of the matters aforesaid shall be conclusive evidence of the debt.
31. The Directors may, on the issue of shares, differentiate between the holders in the amount of calls to be paid and in the times of payment.
32. The Directors may, if they think fit, receive from any Member all or any part of the monies uncalled and unpaid upon any shares held by him, and upon all or any of the monies so advanced may (until the same would but for such advance become presently payable) pay a return at such rate, not exceeding (unless the Company in general meeting shall otherwise direct) eight per cent (8%) per annum, as may be agreed upon between the Directors and the Member. Capital paid on shares in advance of calls shall not, whilst carrying interest, confer a right to participate in profits. Returns for payment of uncalled shares

TRANSFER OF SECURITIES

33. Subject to this Constitution, the CD Rules and except as may be required by law, there shall be no restriction on the transfer of fully paid-up Listed Securities in the Company. No restriction on transfer of fully paid up Listed Securities
34. The transfer of any Listed Securities or class of Listed Securities in the Company shall be by way of book entry by the Central Depository in accordance with the CD Rules and, notwithstanding Sections 105, 106 or 110 of the Act, but subject to Section 148(2) of the Act and any exemptions that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the Listed Securities. Transfer of Securities
35. The Central Depository may refuse to register any transfer of Deposited Securities if it does not comply with the Central Depositories Act or the CD Rules. Refusal to register
36. Neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of Listed Securities although the same may, by reason of any fraud or other cause not known to the Company or its Directors or other officers, be legally inoperative or insufficient to pass the property in the Listed Securities proposed or professed to be transferred, and although the transfer may, as between the transferor and the transferee, be liable to be set aside. In every such case, the person registered as transferee, his executors, administrators and assignees, subject to compliance with the Act, the Central Depositories Act and the CD Rules, alone shall be entitled to be recognised as the holder of such Listed Securities and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto. Company and Directors not liable if transfer of Securities inoperative due to fraud

37. Registration of transfers may be suspended at such times and for such period as the Directors may from time to time determine but so that no part of the Register of Members shall be closed for more than thirty (30) days in the aggregate in any calendar year. Ten (10) Market Days' (or such other minimum period as may be prescribed by the Stock Exchange) notice of intention of such suspension or of any books closing date shall be published in a daily newspaper circulating in Malaysia and notice in writing shall also be given to the Stock Exchange. The said notice shall state the purpose or purposes for the suspension or books closing. In relation to the suspension or books closing, the Company shall give written notice to the Central Depository to issue the appropriate Record of Depositors in accordance with the Central Depositories Act and the CD Rules within such time as is required by the Central Depository to enable the Central Depository to issue the relevant Record of Depositors.

Suspension of registration of transfers

38. The transfer of Securities other than Listed Securities shall be in accordance with the Act.

TRANSMISSION OF SECURITIES

39. In case of the death of a Member or debenture holder, the persons recognised as having any title to his interest in the shares or debentures shall be –

Death of holder of shares

39.1 where the deceased was a sole holder, the legal personal representatives; and

39.2 where the deceased was a joint holder, the survivor,

but nothing in this Rule shall release the estate of the deceased joint holder from any liability in respect of any share or debenture which had been jointly held by him with other persons.

40. 40.1 A person to whom the right to shares or debentures are transmitted by operation of law may elect –
- (a) to be registered as a shareholder or debenture holder in respect of the shares or debentures by written notice to the Company and to the Central Depository; or
- (b) to have another person registered as a shareholder or debenture holder in respect of the shares or debentures and testify such election by executing to that person a transfer of those shares or debentures, as the case may be.
- 40.2 All limitations, restrictions and provisions of this Constitution, the CD Rules, the Act and the Listing Requirements in relation to the right to transfer and the registration of transfers of shares and debentures shall apply to any notice or transfer of shares or debentures as if the death or bankruptcy of the shareholder or debenture holder had not occurred and the notice or transfer were signed by that shareholder or debenture holder.
- 40.3 Any document which is by law sufficient evidence of probate of the will or letters of administration of the estate of a deceased person having been granted to a person shall be accepted by the Company as sufficient evidence of the grant.

Right of election by holders of shares or debentures

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- 40.4 Subject to the provisions of this Constitution, the CD Rules, the Act and the Listing Requirements, the Company shall register the person as a shareholder or debenture holder of the Company within sixty (60) days from receiving the notification.
- 40.5 The registration of a transmission of shares or debenture under this Constitution shall entitle the registered holder to the same dividends and other advantages and to the same rights in relation to meetings of the Company or to voting or otherwise.
41. Subject to the Act, the Central Depositories Act and the CD Rules, fees may be charged by the Company or the Central Depository in respect of the registration of any instrument of transfer or probate or letters of administration or certificate of marriage or death or a stop notice or power of attorney or other document relating to or affecting the title to any Listed Securities or otherwise for making an entry in the Register of Members or Record of Depositors affecting the title to any Listed Securities but only to the extent permitted by law.
42. Where the Securities of the Company are listed on another stock exchange and the Company is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories) (Amendment) (No. 2) Act 1998, as the case may be, under the CD Rules in respect of such Securities, the Company shall, upon request of a Securities holder, permit a transmission of Securities held by such Securities holder from the register of holders maintained by the registrar of the Company in the jurisdiction of the other stock exchange, to the register of holders maintained by the registrar of the Company in Malaysia and vice versa provided that there shall be no change in the ownership of such Securities. Transmission of Securities from foreign register
- FORFEITURE OF SHARES**
43. If a Member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time thereafter whilst any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any compensation which may have accrued. Notice to pay calls
44. The notice shall name a further day (not being less than fourteen (14) days from the date of service of the notice) on or before which, and the place where, the payment required by the notice is to be made, and shall state that, in the event of non-payment at or before the time and at the place appointed, the shares on which the call was made will be liable to be forfeited. Period of notice
45. If the requirements of any such notice are not complied with, any share in respect of which the notice has been given shall, subject to the Act, the Central Depositories Act and the CD Rules be forfeited by a resolution of the Directors unless payment as required by such notice has been made. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. When any share has been forfeited in accordance with this Constitution, notice of the forfeiture shall forthwith be given to the Central Depository and to the person who was the holder of the share, within fourteen (14) days of the forfeiture. Forfeiture for non-payment

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46. Subject to the Central Depositories Act and the CD Rules, a forfeited share may be re-allotted or re-issued, either to the person who was before forfeiture the holder thereof or entitled thereto, or to any other person, upon such terms and in such manner as the Directors shall think fit, and at any time before re-allotment or re-issue the forfeiture may be cancelled on such terms as the Directors think fit. Shares forfeited may be re-allotted or re-issued
47. A Member whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which at the date of forfeiture were presently payable by him to the Company in respect of the shares together with compensation at a rate of eight per cent (8%) per annum from the date of forfeiture until payment in full of all such money in respect of the shares but the Directors shall be at liberty to waive payment of such compensation wholly or in part. Liability on forfeiture
48. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company, and that a share has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and such declaration and the receipt of the Company for the consideration (if any) given for the share on the re-allotment or re-issue thereof shall constitute a good title to the share, and subject to the Central Depositories Act and the CD Rules, the person to whom the share is re-allotted or re-issued shall be registered as the holder thereof, and his title to the share shall not be affected by any irregularity or invalidity in the proceedings relative to the forfeiture, re-allotment or re-issue of the share. Subject to any lien for sums not presently payable, if any, any residue of the proceeds of re-allotment or re-issue of shares which are forfeited after the satisfaction of the unpaid calls and interest and expenses, shall be paid to the person whose shares have been forfeited or to his executors, administrators, or assignees or as he directs. Statutory declaration as conclusive evidence and sale of shares forfeited
49. The provisions of Rules 43 to 48 shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable to the company at a fixed date, as if the shares had been payable by virtue of a call duly made and notified. Application of forfeiture provision

STOCK

50. The Company may by Special Resolution convert any paid-up shares into stock and reconvert any stock into paid-up shares of any number. Conversion of shares into stocks
51. The stockholders may transfer the stocks or any part of the stocks in the same manner as the transfer of shares from which the stock arose may, before the conversion, have been transferred or in the closest manner as the circumstances allow. The Directors may fix the minimum amount of stock transferable and may restrict or forbid the transfer of fractions of that minimum. Holder of stocks may transfer their interests
52. The stockholders shall, according to the amount of the stock held by the stockholders, have the same rights, privileges and advantages with regards dividends, voting at meetings of the Company and other matters as if the stockholders held the shares from which the stock arose. Notwithstanding, no privilege or advantage except participation in the dividends and profits of the Company and in the assets on winding up shall be conferred by any such part of stock which would not, if existing in shares, have conferred that privilege or advantage. Participation in dividends and profits

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53. Any reference in the Act and this Constitution applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" shall include "stock" and "stockholder" respectively. Application of this Constitution

INCREASE OF CAPITAL

54. The Company in general meeting may from time to time by Ordinary Resolution increase its capital by such sum, to be divided into shares as the resolution shall prescribe. Increase of share capital
55. The Company may simultaneously with the resolution increasing the capital or at any time thereafter give any lawful directions as to the issue of the new shares. In default of any such direction, or so far as the same shall not extend, the new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the shares in the original share capital. Directions pursuant to issuance of new shares

PURCHASE OF OWN SHARES

56. 56.1 Subject to the Act, Central Depository Act, CD Rule and this Constitution, the Company may, with the sanction of an Ordinary Resolution of the Members in general meeting, purchase its own shares. Company may purchase its own shares
- 56.2 The company shall not purchase its own shares unless – Conditions for purchasing own shares
- (a) the Company is solvent at the date of the purchase and will not become insolvent by incurring the debts involved in the obligation to pay for the shares so purchased;
 - (b) the purchase is made through the stock exchange on which the shares of the Company are quoted and in accordance with the relevant rules of the stock exchange; and
 - (c) the purchase is made in good faith and in the interests of the Company.
- 56.3 Notwithstanding sub-Rule 56.2(b), the Company may purchase its own shares otherwise than through a stock exchange if the purchase is – Purchase of own shares otherwise than through a stock exchange
- (a) permitted under the relevant rules of the stock exchange; and
 - (b) made in accordance with such requirements as may be determined by the stock exchange.

ALTERATIONS OF CAPITAL

57. Subject to the Listing Requirements, the Company may alter its share capital in any one or more of the following ways by passing a Special Resolution to – Alteration of capital by Special Resolution
- (a) consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived;
 - (b) convert all or any of its paid-up shares into stock and reconvert that stock into fully-paid shares;

- (c) subdivide its shares or any of its shares, whatever is in the subdivision, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived; or
- (d) reduce its share capital in any manner subject to the requirements and consents required, and with any incident authorised, under the Act and Listing Requirements.

GENERAL MEETINGS

58. The Company shall hold a general meeting in every calendar year, which shall be held within six (6) months of the Company's financial year end and not more than fifteen (15) months after the last preceding Annual General Meeting, at such time and place as may be determined by the Directors, in addition to any other meetings held during that period, to transact the following business – Annual General Meeting
- (a) the laying of audited financial statements and the reports of the Directors and auditors;
 - (b) the election of Directors in place of those retiring;
 - (c) the appointment and the fixing of the fees and benefits of Directors; and
 - (d) any resolution or other business of which notice is given in accordance with the Act or this Constitution.
59. 59.1 The above-mentioned general meetings shall be called an Annual General Meeting. All other meeting of Members shall be called Extraordinary General Meetings. Convening of general meetings
- 59.2 A meeting of Members may be convened by –
- (a) the Board; or
 - (b) any Member holding at least ten per centum (10%) of the issued share capital of the Company.
- 59.3 The Directors shall call a meeting of Members once they receive a requisition to do so from Members representing at least ten per centum (10%) of the paid up capital of the Company carrying the right of voting at meetings of Members of the Company. Calling of meetings upon requisition
- 59.4 The requisition referred to in sub-Rule 59.3 –
- (a) shall be in hardcopy or electronic form;
 - (b) shall state the general nature of the business to be dealt with at the meeting;
 - (c) may include the text of a resolution that may properly be moved and is intended to be moved at the meeting; and
 - (d) shall be signed or authenticated by the person making the requisition.

- 59.5 For the purposes of sub-Rule 59.3, the right of voting shall be determined as at 5.00 p.m. on the date the requisition is deposited with the Company.
- 59.6 The Directors shall –
- (a) call for the meeting within fourteen (14) days from the date of the requisition under sub-Rule 59.3; and
 - (b) hold the meeting on a date which is not more than twenty-eight (28) days after the date of the notice to convene the meeting.
- 59.7 If the requests received by the Company identify a resolution intended to be moved at the meeting, the notice shall include the text of the resolution.
- 59.8 If the resolution is to be proposed as a Special Resolution, the Directors shall be considered as not having duly called for the meeting if the notice of the resolution is not given in accordance with Section 292 of the Act.
- 59.9 If the Directors are required to call a meeting of Members under sub-Rule 59.3 and do not do so in accordance with sub-Rule 59.6, the Members who requisitioned the meeting or any number of Members representing more than one half (1/2) of the total voting rights of all of the Members who requisitioned, may call for a meeting of Members. The meeting shall be convened by the Members on a date not more than three (3) months after the date on which the Directors received a requisition under sub-Rule 59.3 to call for a meeting of Members.
- 59.10 Any reasonable expenses incurred by the Members requisitioning the meeting by reason of the failure of the Directors to call a meeting shall be reimbursed by the Company.
- 59.11 The Company may convene a meeting of Members at more than one venue using any technology or method that enables the Members of the Company to participate and to exercise the Members' right to speak and vote at the meeting. The main venue of the meeting shall be in Malaysia and the chairman shall be present at the main venue.

NOTICE OF GENERAL MEETINGS

60. Subject to the Act, the notices convening meetings shall be given to all Members at least fourteen (14) days before the meeting, or at least twenty-one (21) days before the meeting where any Special Resolution is to be proposed or where it is an Annual General Meeting. Every notice of meeting shall specify the place, day, date and hour of meeting, and in the case of special business shall also specify the general nature of such business and shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business. The notice convening an Annual General Meeting shall specify the meeting as such, and the notice convening a meeting to pass a Special Resolution shall specify the intention to propose the resolution as a Special Resolution. At the same time as Members are notified, such notice shall be advertised in at least one nationally circulated Bahasa Malaysia or English daily newspaper and shall be sent to each stock exchange upon which the Company is listed and to the Auditors. The Company shall request the Central Depository in accordance with the CD Rules to issue a Record of Depositors to whom notices of general meetings shall be given by the Company.

Notice of meetings

61. 61.1 An Annual General Meeting may be called by a notice shorter than the period specified in Rule 60 if agreed by all the Members entitled to attend and vote at the meeting.
- 61.2 A meeting of Members other than an Annual General Meeting may be called by a notice shorter than the period specified in Rule 60 if –
- (a) agreed to by the majority in number of Members entitled to attend and vote at the meeting; and
 - (b) the majority of Members specified in Rule 61.2(a) above hold not less than ninety-five per centum (95%) of the number of shares giving a right to attend and vote at the meeting.
- 61.3 Where special notice is required of a resolution under the Act, the resolution shall not be effective unless notice of intention to move such resolution is given to the Company at least twenty-eight (28) days before the meeting at which it is to be moved. Where practicable, the Company shall give its Members notice of any such resolution in the same manner and at the same time as it gives notice of the meeting. Where it is not practicable to do so, the Company shall give notice of the resolution to the Members at least fourteen (14) days before the meeting by one or more methods of communication as specified in Rule 167 and by advertising it in one widely circulated newspaper in Malaysia in the national language or one widely circulated newspaper in Malaysia in the English language.
- 61.4 Notice of a meeting of Members must be given to every Member, Director and auditor of the Company. For the purposes of this Rule, the reference to a ‘Member’ includes any person who is entitled to a share in consequence of the death or bankruptcy of a Member who, but for his death or bankruptcy, would be entitled to receive notice of the meeting and the Company has been notified of the person’s entitlement in writing.
- 61.5 Notice of a meeting of Members of the Company shall be given in accordance with the methods of communication as specified in Rule 167 and state – Form of Notice
- (a) the place, day, date and time of the meeting;
 - (b) the general nature of the business of the meeting;
 - (c) that a Member shall be entitled to appoint one or more persons as his proxy to exercise all or any of the Member’s rights to attend, participate, speak and vote at a meeting of Members of the Company;
 - (d) that a Member who appoints more than one proxy in relation to a meeting must specify the proportion of the Member’s shareholding to be represented by each proxy; and
 - (e) the place at which the instrument of proxy is to be deposited.

The notice of meeting of Members may include the text of any proposed resolution and other information as the Directors deem fit.

- 61.6 Notice of meeting of Members –
- (a) given in hardcopy shall be sent to any Member either personally or by post to the address as appearing in the Record of Depositors; or
 - (b) given in electronic form shall be transmitted to the electronic address provided by the Member to the Company for such purpose as appearing in the Record of Depositors or by publishing on the Company’s website or via short messaging service or any other electronic platform(s).
- 61.7 Where notice of a meeting of Members either under the general meeting specified in sub-Rule 61.3 or sub-Rule 61.6 is given by the Company by publishing on the Company’s website or any other electronic platform(s), the Company must notify a Member of the publication of the notice on the website and such notification shall be in writing and be given in hardcopy or Electronic Form stating –
- (a) that it concerns a meeting of Members;
 - (b) the place, day, date and time of the meeting; and
 - (c) whether the meeting is an Annual General Meeting.
- The notice shall be made available on the website from the date that notice is given under this Rule until the conclusion of the meeting.
- 61.8 In the case of joint-holders of a share, the notice, whether in hardcopy or by electronic form, must be given to the joint-holder whose name appears first in the Record of Depositors. Notice to joint holders
- 61.9 When a meeting of Members is adjourned for thirty (30) days or more, notice of adjourned meeting shall be given in the same manner as in the case of the original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjourned meeting or the business to be transacted at such meeting. Notice of adjournment to be given
62. The accidental omission to give notice of any meeting to or the non-receipt of the notice by any person shall not invalidate the proceedings at the meeting.

PROCEEDINGS AT GENERAL MEETINGS

63. All business shall be deemed special that is transacted at an Extraordinary General Meeting and also all business that is transacted at an Annual General Meeting with the exception of the consideration of the accounts and balance sheet, the reports of the Directors and auditors and any other documents annexed to the balance sheet, the election of Directors in the place of those retiring by rotation or otherwise, the appointment and fixing of the remuneration of the auditors and the voting of fees and benefits payable to the Directors. Any person entitled to be present and vote at a meeting may submit any amendment to any resolution provided that at least five (5) clear days before the day appointed for the meeting he shall have served upon the Company a notice in writing signed by him, containing the proposed amendment and stating his intention to submit the same. Special business

64. No business shall be transacted at any general meeting unless a quorum is present at the commencement of the meeting. Two (2) Members present in person and entitled to vote shall be a quorum for all purposes. For the purposes of constituting a quorum, one (1) or more representatives appointed by a corporation shall be counted as one (1) Member or one (1) or more proxies appointed by a person shall be counted as one (1) Member. The Company shall inform the Central Depository of the dates of general meetings and shall request the Central Depository in accordance with the CD Rules, to issue the General Meeting Record of Depositors. Subject to the Securities Regulations (where applicable), a Depositor shall not be regarded as a Member entitled to attend any general meeting and to speak and vote thereat unless his name appears in the General Meeting Record of Depositors. Quorum
65. If within half an hour after the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of or by Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week (or if that day is a public holiday, then to the next business day following that public holiday) at the same time and place, or such other date, day, time or place as the Directors may by not less than fourteen (14) days' notice appoint, and if at such adjourned meeting a quorum is not present within fifteen (15) minutes after the time appointed for holding the meeting, the Members present in person or by proxy, not being less than two (2), shall be a quorum. Proceeding of quorum not present
66. The chairman (if any) of the Board or in his absence the deputy chairman of the Board shall preside as chairman at every general meeting of the Company. If there is no such chairman or deputy chairman or if at any meeting the chairman or the deputy chairman is not present within fifteen (15) minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the meeting shall choose one Director to be chairman, and if no Director is present or if all the Directors present decline to take the chair, the meeting shall choose one Member present to be chairman. Chairman of general meeting
67. The chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting by a show of hands or by way of poll) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When such meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. Chairman may adjourn meeting and notice of adjournment to be given
68. Any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting shall be voted on by poll. Resolutions in notice of general meeting to be voted on by poll
69. Subject to Rule 67 and any express requirement of the Listing Requirements, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded – Voting on resolution
- (a) by the chairman of the meeting; or
- (b) by at least three (3) Members present in person or by proxy and entitled to vote; or

- (c) by any Member or Members present in person or by proxy or attorney and representing not less than one-tenth (1/10) of the total voting rights of all the Members having the right to vote at the meeting; or
- (d) by a Member or Members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting and being shares on which an aggregate sum has been paid up equal to not less than one-tenth (1/10) of the total sum paid up on all the shares conferring that right.

Unless a poll is so demanded, a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost, and an entry to that effect in the minute book, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

70. If a poll is duly demanded, it shall be taken in such manner as the chairman may direct (including the use of ballot or voting papers or tickets or electronic polling), and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll. Taking of poll
71. The Company must appoint at least one (1) scrutineer to validate the votes cast by poll at any general meeting of the Company. Such scrutineer must not be an officer of the listed issuer or its related corporation, and must be independent of the person undertaking the polling process. If such scrutineer is interested in a resolution to be passed at the general meeting, the scrutineer must refrain from acting as the scrutineer for that resolution. Appointment of scrutineer
72. A poll demanded on the election of the chairman of the meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the chairman of the meeting directs.
73. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded and it may be withdrawn at any time before the poll is taken. A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made. Continuance of meeting of other business

VOTES OF MEMBERS

74. 74.1 Subject to Rule 78 and to the Securities Regulations, on a resolution to be decided on a show of hands, every Member who holds ordinary shares or preference shares who is personally present in person or by proxy shall have one (1) vote, and on a poll every Member who is present in person or by proxy and entitled to vote shall have one (1) vote on any question at any general meeting for every share held by such Member. Voting by Members
- 74.2 On a poll taken at a meeting of Members, a Member entitled to more than one vote need not use all his votes or cast all the votes he uses on a poll in the same way.

- 74.3 A Member of the Company entitled to attend and vote at a meeting of the Company, or at a meeting of any class of Members of the Company, shall be entitled to appoint any person as his proxy to exercise all or any of his rights to attend, participate, speak and vote instead of the Member at a general meeting. There shall be no restriction as to the qualification of the proxy. A proxy need not also be a Member. Appointment of proxy
- 74.4 A Member who appoints more than one (1) proxy in relation to a general meeting must specify the proportion of his shareholding represented by each proxy. Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
- 74.5 Subject to sub-Rules 74.6 and 74.7, a Member shall not be entitled to appoint more than two (2) proxies to attend and vote at a meeting of the Company instead of him.
- 74.6 Subject to sub-Rule 74.7, where a Member is an Authorised Nominee, he may appoint not more than two (2) proxies in respect of each Securities Account he holds with ordinary shares of the Company standing to the credit of the said Securities Account to attend and vote at a meeting of the Company instead of him.
- 74.7 Where a Member of the company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple Beneficial Owners in one Securities Account ("omnibus account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds PROVIDED THAT each Beneficial Owner of ordinary shares, or where the ordinary shares are held on behalf of joint Beneficial Owners, such joint Beneficial Owners, shall only be entitled to instruct the Exempt Authorised Nominee to appoint not more than two (2) proxies to attend and vote at a general meeting of the Company instead of the Beneficial Owner or joint Beneficial Owners. An Exempt Authorised Nominee refers to an authorised nominee defined under Central Depositories Act which is exempted from compliance with the provisions of Subsection 25A(1) of Central Depositories Act.
- 74.8 The appointment of a proxy to vote on a matter at a general meeting authorises the proxy to demand, or join in demanding, a poll on that matter.
- 74.9 The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. The Directors may require evidence of the authority of any such attorney or officer. The instrument appointing a proxy shall be in the form as determined by the Directors from time to time. Unless the contrary is stated thereon an instrument appointing a proxy, whether in the usual common form or not, shall be valid for any adjournment of the meeting as for the meeting to which it relates.
- 74.10 Termination of a person's authority to act as proxy is upon the Company or the appointed share registrar of the Company receiving a notice of termination at least forty-eight (48) hours before the commencement of a meeting of Members or an adjourned meeting of Members.

75. 75.1 Any corporation which is a Member of the Company may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at a particular meeting or at all meetings of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company. Corporations to be represented by representatives at meeting of Members
- 75.2 If the corporation authorises more than one person as its representative, every one of the representatives is entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if every one of the representatives was an individual Member of the Company. Exercising of power by corporate representatives
- 75.3 A Member shall be entitled to appoint up to two (2) corporate representatives.
- 75.4 If the corporation authorises more than one person and more than one of the representatives purport to exercise the power under sub-Rule 75.2 above –
- (a) if the representatives purport to exercise the power in the same way, the power is treated as exercised in that way; or
- (b) if the representatives do not purport to exercise the power in the same way, the power is treated as not exercised.
- 75.5 The authority given by a corporation to a representative may be for a particular general meeting or for all meetings of the Company. In the case of the latter, the person authorised shall be entitled to exercise his powers on behalf of the corporation until his authority is revoked by the corporation.
- 75.6 A certificate of authorisation by the corporation shall be *prima facie* evidence of the appointment or revocation of the appointment, as the case may be. Certificate of authorisation *prima facie* evidence of appointment
76. Subject to any express requirement of the Listing Requirements, a Member who is of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorder may vote, whether on a show of hands or on a poll, by his committee or by such other person as properly has the management of his estate and any such committee or other person may vote by proxy or attorney provided that such evidence as the Directors may require of the authority of the person claiming the right to vote shall be deposited at the registered office not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting. Vote of Members of unsound mind
77. Any person entitled under the transmission Rules of this Constitution to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he was the registered holder of such shares, provided that forty-eight (48) hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

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78. Subject to Rule 64, a Member shall be entitled to be present and to vote at any general meeting in respect of any share or shares upon which all calls due to the Company have been paid and no Member shall be entitled to be present and vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid. Where a Member holds shares which all calls due to the Company have been paid as well as shares which calls due to the Company have not been paid, such Member shall only be entitled to be present and to vote at any general meeting in respect of such share or shares held which all calls due to the Company have been paid.
79. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.
80. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office or at such other place as is specified for that purpose in the notice convening the meeting not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
81. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation (in accordance with sub-Rule 74.10) or transfer shall have been received by the Secretary before the commencement of the meeting or adjourned meeting at which the proxy is used.

Voting allowed if shares have been paid up

Objection to qualification of voter to be raised at meeting or adjourned meeting

Instrument of appointment of proxy

DIRECTORS

82. 82.1 The Company shall have at least two (2) and not more than fifteen (15) Directors. Each Director must be a natural person who is at least eighteen (18) years of age. Subject to the Listing Requirements and any vacancy arising, at least two (2) Directors or one third (1/3) of the Board, whichever is higher, shall be Independent Directors.
- 82.2 The Directors shall have power at any time to appoint any other person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with Rule 82.1. Any Director so appointed shall hold office only until the conclusion of the next Annual General Meeting and shall be eligible for re-election at such meeting. A Director retiring under this Rule shall not be taken into account in determining the Directors or the number of Directors to retire by rotation at such meeting.

Number and appointment of Directors

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83. 83.1 The fees and benefits payable to Directors shall be subject to annual shareholder approval at a general meeting. The Directors may also be reimbursed for all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Board or any committee of directors or general meetings of the Company or in connection with the business of the Company. Fees and benefits of Directors
- 83.2 Fees payable to non-executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover. Salaries payable to executive Directors may not include a commission on or percentage of turnover.
- 83.3 An Alternate Director shall not be entitled to receive any fees, compensation or benefits other than out of the fees and benefits of the Director who appointed him.
84. Subject to Rule 83, any Director who by request of the Board serves on any committee or performs special services for any purposes of the Company may be paid such extra fees and benefits (subject to any other provisions of this Constitution) as the Board may determine. Extra fees and benefits for performing special services
85. A Director shall not require a share qualification but nevertheless shall be entitled to attend and speak at any general meeting of, and at any separate meeting of, the holders of any class of shares in the Company.
86. 86.1 The office of Director shall be vacated if the person holding that office – Office of a Director
- (a) (not being a managing director holding office as such for a fixed term) resigns his office by notice in writing to the Company at its registered office of the Company;
 - (b) has retired in accordance with this Constitution but is not re-elected;
 - (c) is removed from office in accordance with the Act or the provisions of this Constitution;
 - (d) becomes disqualified from being a director under Sections 198 or 199 of the Act;
 - (e) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the Mental Health Act 2001;
 - (f) dies;
 - (g) is so removed by Ordinary Resolution at a general meeting;
 - (h) is absent from more than 50% of the total Board meetings held during a financial year; or
 - (i) is convicted by a court of law, whether within Malaysia or elsewhere, in relation to the offences set out in Paragraph 15.05(1) of Chapter 15 of the Listing Requirements.

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- 86.2 For the purposes of sub-Rule 86.1(h), if a Director is appointed after the commencement of a financial year, then only the Board meetings held after his appointment will be taken into account.
- 86.3 A Director of the Company shall not resign or vacate his office if by his resignation or vacation from office, the number of Directors of the Company is reduced below two (2). Any purported resignation or vacation of office by a Director in contravention of this Rule shall be deemed to be ineffective unless a person is appointed in his place.
87. 87.1 Subject to the Act and the Listing Requirements, no Director or intending Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office, or of the fiduciary relation thereby established, but the nature and extent of his interest must be declared by him at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration or, if the Director was not at the date of that meeting interested in the proposed contract or arrangement, then at the next meeting of the Directors held after he became so interested or, in a case where the Director becomes interested in a contract or arrangement after it is made, at the first meeting of the Directors held after he becomes so interested; provided, nevertheless, that, subject to any other provisions of this Constitution, a Director shall not as a Director vote in respect of any contract, proposed contract or arrangement in which he has, directly or indirectly, an interest and if he shall do so his vote shall not be counted towards a motion concerning any such contract or arrangement. For the avoidance of doubt, a Director who has an interest (whether directly or indirectly) in any contract, proposed contract or arrangement shall only be counted towards the quorum of such a meeting. Contracts or arrangements which Directors are interested
- 87.2 A general notice in writing, which complies with Section 221(4) and (5) of the Act, given to the Directors by any Director shall be deemed to be sufficient declaration of interest in relation to the subject matter of the notice.
88. Every Director who holds any office or possesses any property where duties or interests may be created in conflict with his duties or interests as a Director (such as, but not limited to, holding office in a rival or competitor of the Company) shall declare the fact and the nature, character and extent of the conflict at a Board meeting.

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89. Subject to sub-Rule 87.1 and the Listing Requirements, any Director may continue to be or become a director, managing director, manager or other officer or member of any other corporation in which the Company may be interested, and no such Director shall be accountable for any fees or other benefits received by him as a director, managing director, manager or other officer or member of any such other corporation. The Directors may exercise the voting power conferred by the shares in any other corporation held or owned by the Company, or exercisable by them as directors of such other corporation, in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them as directors, managing directors, managers or other officers of such corporation, or providing for the payment of fees and benefits to the directors, managing directors, managers or other officers of such corporation), and any Director of the Company may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be, or be about to be, appointed a director, managing director, manager or other officer of such other corporation and as such is or may become interested in the exercise of such voting rights in manner aforesaid, provided always that no Director shall vote (or be counted in the quorum) in respect of a resolution concerning his own appointment in this Company.
90. The Directors shall cause to be kept the register of their holdings of shares and debentures of the Company and of its holding company (if any), and of any subsidiaries of the Company or its holding company, required by Section 59 of the Act, and shall render the same available for inspection during the period and by the persons therein specified, and shall produce the same at every Annual General Meeting as required by the Section.

POWER OF DIRECTORS

91. The business of the Company shall be managed by the Directors, who may pay all expenses incurred in forming and registering the Company and may exercise all such powers of the Company as are not by the Act or by this Constitution required to be exercised by the Company in general meeting, subject nevertheless to this Constitution, to the provisions of the Act, and to such regulations, being not inconsistent with this Constitution or such provisions, as may be prescribed by Ordinary Resolution of the Company in general meeting, but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if the regulation had not been made. The general powers given by this Rule shall not be limited or restricted by any special authority or power given to the Directors by any other Rule. Any sale or disposal by the Directors of a substantial portion of the Company's main undertaking or property shall be subject to ratification by shareholders in general meeting and in accordance with the Act. Powers and duties of Directors
92. The Directors may establish any local boards or agencies for managing any of the affairs of the Company in any part of the world, and may appoint any persons to be Members of such local boards, and any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors with power to sub-delegate, and may authorise the Members of any local board, or any of them to fill any vacancies therein, and to act notwithstanding vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit. The Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby. Power to establish local boards or agencies

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93. The Directors may establish and maintain or provide or procure the establishment and maintenance of any non-contributory or contributory pension, provident or superannuation funds or other pension funds or such other funds as the Board may deem fit and to make or establish such arrangements or schemes for the benefit of and to give or procure the giving of donations, gratuities, pensions, allowances, emoluments or other moneys to or for the benefit of any persons who are or were at any time in the employment or service of the Company or its predecessors in business or of any company which is a subsidiary of the Company or is allied to or associated with the Company or with any such other company, as the Company deems fit, or who are or were at any time Directors or officers of the Company or of any other company as aforesaid and holding or who held any salaried employment or office in the Company or such predecessors or other company and the wives, widows, families and dependants of any such persons, and make payments for or towards the insurance of any such persons as aforesaid, and may do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid. Subject always, if the Act shall so require, to particulars with respect thereto being disclosed to the Members and to the proposal being approved by the Company by Ordinary Resolution, a Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument. A Director may be counted in the quorum present at a meeting upon the consideration of a motion in respect of any matter referred to in this Rule but may not vote as a Director upon any resolution in respect of any such matter if he is personally interested in such matter.
94. The Directors may by power of attorney under the Seal appoint any corporation, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under this Constitution) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
95. The Directors may make and vary such regulations as they think fit in respect of the keeping of branch registers of Members pursuant to Section 53 of the Act.
96. The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures and other securities. The Directors shall restrict the borrowings of the Company and exercise all rights exercisable by the Company in relation to its subsidiaries so as to secure (as regards subsidiaries so far as by such exercise they can secure) that, save with the previous sanction of the Company, by Ordinary Resolution, no money shall be borrowed if the aggregate principal amount outstanding (including any premium payable on final repayment) of all money borrowed by the group (which expression means the Company and its subsidiaries for the time being) and for the time being owing to persons outside the group then exceeds or would, as a result of such borrowing, exceed an amount equal to three (3) times the aggregate of –
- (a) the amount paid up on the issued share capital of the Company; and
- Power to establish and maintain pensions and funds
- Power to appoint attorney of the Company
- Directors' borrowing powers

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- (b) the total of the capital and revenue reserves of the Company and its subsidiaries (including any credit balance on the consolidated profit and loss account) but excluding sums set aside for taxation and amounts attributable to outside shareholders in subsidiaries and deducting any debit balance on the consolidated profit and loss account,

all as shown in the then latest audited consolidated balance sheet of the Company and its subsidiaries but adjusted as may be necessary in respect of –

- (a) all subsidiaries which were not dealt with by or which have been acquired since the date of such balance sheet; and
- (b) all variations in the paid-up share capital of the Company since the date of such balance sheet.

For the purposes of the foregoing –

- (i) the amount outstanding in respect of acceptances by the Company or by any subsidiary of the Company or by any bank or acceptance house under any acceptance credit opened on behalf of the Company or any subsidiary of the Company (not being acceptances in relation to the purchase or sale of goods in the ordinary course of business) shall be taken into account as monies borrowed;
- (ii) monies borrowed for the purpose of repaying the whole or any part of any monies previously borrowed and then outstanding (including any premium payable on final repayment thereof) and applied for that purpose within six (6) months of such borrowing shall not, pending such application, be taken into account as monies borrowed;
- (iii) the principal amount (including any premium payable on final repayment) of any debentures issued for a consideration other than cash shall be taken into account as monies borrowed by the Company issuing the same;
- (iv) monies borrowed by a partly owned subsidiary and not owing to another Member of the group shall be taken into account subject to the exclusion of a proportion thereof equal to the minority proportion; monies borrowed from and owing to a partly owned subsidiary by another Member of the group shall be taken into account to the extent of a proportion thereof equal to the minority proportion of the lender, subject to the exclusion of a proportion thereof equal to the minority proportion (if any) of the borrower; in this sub-paragraph (iv), “minority proportion” shall mean the proportion of the issued equity share capital of the partly owned subsidiary which is not attributable to the Company;
- (v) notwithstanding the provisions of sub-paragraph (iv), there shall be deemed to have been borrowed and to be outstanding as borrowed monies of the relevant Member of the group (to the extent that the same would not otherwise fall to be taken into account) the principal amount of any monies borrowed from persons outside the group by a partly owned subsidiary the repayment whereof is guaranteed or wholly or partly secured by any Member of the group.

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No debt incurred or security given in respect of monies borrowed or to be taken into account as monies borrowed in excess of the aforesaid limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or was thereby exceeded, but no lender or other person dealing with the Company shall be concerned to inquire whether such limit is observed.

The Directors shall not borrow any money or mortgage or charge any of the Company's or its subsidiaries' undertakings or property or any uncalled capital or issue debentures or other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.

97. All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

MANAGING AND EXECUTIVE DIRECTORS

98. The Board may, from time to time, appoint one or more of its body to the office of managing director (which term shall be deemed to include the Group Chief Executive Officer or other such designation of the Company's Chief Executive Officer) for such period and on such terms as the Board thinks fit and may revoke any such appointment. Appointment of managing director
99. The Board may entrust to and confer upon a managing director any of the powers exercisable by the Board upon such terms and conditions and with such restrictions as the Board may think fit, and either collaterally with or to the exclusion of the Board's own powers, and may from time to time revoke, withdraw, alter or vary all or any of those powers. The managing director or a person performing the functions of a managing director, by whatever name called shall be subject to the control of the Board. Powers of managing Directors
100. The appointment of the managing director shall be determined *ipso facto* if he ceases from any cause to be a Director or (subject to the terms of any contract between him and the Company) if the Board resolves that his term of office as managing director be determined.
101. An executive director shall be subject to retirement by rotation, and his tenure of the office or employment by virtue whereof he is an executive director shall not be determined by reason only of his ceasing for any reason to be a Director, but (subject to the terms of any contract between him and the Company) may be determined at any time by resolution of the Directors.
102. A managing director shall, subject to the Act and the terms of any agreement entered into in any particular case, receive such fees and benefits, whether by way of salary, commission, or participation in profits, or partly in one way and partly another, as the Board may determine. Fees and benefits of managing director

ELECTION OF DIRECTORS

103. An election of Directors shall take place each year. At least one-third (1/3) of the Directors for the time being shall retire from office at each Annual General Meeting. A Director retiring at a general meeting shall retain office until the conclusion of the meeting. Election of Directors
104. All Directors shall retire from office once at least in each three (3) years. A retiring Director shall be eligible for re-election.
105. The Company at the meeting at which a Director retires may appoint any person who is not disqualified under the Act to fill in the vacancy, and if no appointment was made to fill the vacancy and the retiring director seeks re-election, the director will only be re-elected if a resolution for re-election of that Director is put to the meeting and passed.
106. No person not being a retiring Director shall be eligible for election to the office of Director at any general meeting unless a Member intending to propose him for election has, at least eleven (11) clear days prior to the date of the meeting, left at the registered office of the Company a notice in writing duly signed by the nominee, giving his consent to the nomination and signifying his candidature for the office, or the intention of such Member to propose him for election; provided that in the case of a person recommended by the Directors for election, nine (9) clear days' notice only shall be necessary, and notice of each and every candidature for election to the Board shall be served on the registered holders of shares at least seven (7) days prior to the meeting at which the election is to take place.
107. Except as otherwise authorised by Section 203 of the Act, the election or appointment of any person proposed as a Director shall be effected by a separate resolution and a single resolution purporting to elect or appoint two (2) or more persons to be Directors shall be ineffective and void. Separate resolutions for appointment of Directors
108. Without prejudice to the provision of Section 206 of the Act, the Company may by Ordinary Resolution remove any Director before the expiration of his period of office, and may by an Ordinary Resolution appoint another person in his place. The person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he was appointed was last elected or appointed a Director. Removal of Directors before expiration of office

PROCEEDINGS OF DIRECTORS

109. The Directors may elect a chairman or deputy chairman of their meetings and determine the period for which he is to hold office but, if no such chairman or deputy chairman is elected, or if at any meeting the chairman or deputy chairman is not present within five (5) minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting. Chairman
110. A Director, or if requested by a Director to do so, a Secretary, may convene a meeting of the Board by giving notice in accordance with Rule 111 below. Convening of board meetings

111. A notice of a meeting of the Board shall be sent to every Director who is in Malaysia, and the notice shall include the date, day, time and place of the meeting and the matters to be discussed. Such notices may be given via telephone, internet based communications or by any other electronic means.
112. Any irregularity in the notice of meeting is waived if all Directors entitled to receive notice of the meeting attend the meeting without objection to the irregularity.
113. A meeting of the Board may be held either – Methods of holding meetings
- 113.1 by a number of Directors who constitute a quorum, being assembled together at the place, day, date and time appointed for the meeting; or
- 113.2 by means of radio, telephone, closed circuit television or other electronic means of audio or audio-visual communications or instantaneous telecommunication device by which all Directors participating and constituting a quorum can simultaneously hear each other throughout the meeting; or
- 113.3 by a combination of both of the methods set out above.
114. Subject to any applicable laws, the contemporaneous linking together by an instantaneous telecommunication device, whether or not any Director (or his alternate) is out of Malaysia, shall be deemed to constitute a meeting of the Directors and all provisions of this Constitution relating to such meetings of the Directors shall apply to such meeting so long as the following conditions are met –
- 114.1 notice of meeting, in accordance with Rule 111, has been given to the Directors;
- 114.2 each Director taking part in this meeting by radio, telephone, closed circuit television or other electronic means of audio or audio-visual communications or instantaneous telecommunication device must be able to hear and/or see as the case may be, each of the other Directors taking part throughout the duration of the meeting;
- 114.3 at the commencement of the meeting, each Director acknowledges his presence for the purpose of the meeting to all of the other Directors taking part;
- 114.4 all information or documents pertaining to or circulated during the meeting must be made equally available to all Directors prior to or during the meeting.
115. A Director who intends to leave the meeting shall inform the chairman of the meeting prior to disconnecting his telecommunications device and a Director will be conclusively presumed to have been present and to have formed part of the quorum throughout the meeting unless he has informed the chairman of his departure.
116. Minutes of the proceedings at such meeting of the Directors will be sufficient evidence of such proceedings and of the observance of all necessary formalities if confirmed as correct by all the Directors present at the meeting.

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117. A meeting by the Directors conducted by instantaneous telecommunication device is deemed to be held at the place where the largest group of Directors participating is assembled or, if there is no such group, where the chairman of the meeting is physically present.
118. For the purpose of Rules 113, 114 and 117, “instantaneous telecommunication device” means any telecommunication conferencing device with or without visual capability.
119. The quorum necessary for a meeting of the Directors shall be four (4) Directors at the commencement of the meeting provided that if the number of Directors falls below four (4), the quorum shall be all the Directors. Quorum
120. The remaining Directors or a sole remaining Director may continue to act notwithstanding any vacancies in the Board but, if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with this Constitution, the remaining Directors or Director may except in an emergency, act only for the purpose of increasing the number of Directors to such minimum number, or to summon a general meeting of the Company.
121. Subject to Rule 123 below, every Director has one vote. Voting
122. Subject to Rule 123 below, in the event of an equality of votes, the chairman shall have a casting vote. However, where two (2) Directors form a quorum, the chairman of a meeting at which only such a quorum is present, or at which only two (2) Directors are competent to vote on the question at issue shall not have a casting vote.
123. Subject to the provisions under Section 222(2) of the Act, a Director who has an interest in the manner set out in Section 221 of the Act in a contract or proposed contract with the Company –
- 123.1 shall be counted only to make the quorum at the meeting of the Board;
- 123.2 shall not participate in any discussion while the contract or proposed contract is being considered at the meeting; and
- 123.3 shall not vote on the contract or proposed contract, and if so votes, his vote shall not be counted.
124. A resolution of the Board is passed if it is agreed to by all Directors present without dissent or if a majority of the votes cast on the resolution are in favour of it.
125. A Director present at the meeting of the Board is presumed to have agreed to, and to have voted in favour of, a resolution of the Board unless he expressly dissents from or votes against the resolution at the meeting. The minutes of meeting shall record such dissenting views or votes accordingly.

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126. Where a resolution is passed at an adjourned meeting of the Board, the resolution shall, for all purposes, be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date. Resolution passed at adjourned meeting
127. 127.1 Subject to Rule 123, a resolution in writing, signed or assented to by the majority of Directors then entitled to receive notice of meeting of the Board is as valid and effective as if it had been passed at a meeting of the Board duly convened. Resolution in writing
- 127.2 A resolution signed or assented to by a Director need not be signed or assented to by the Alternate Director, if any, appointed by him in that capacity and a resolution signed or assented to by an Alternate Director need not be signed or assented to by the Director who appointed him.
- 127.3 Any such resolution may consist of several documents, including Electronic Form, facsimile or other means of communication, in similar form and each document shall be signed or assented to by one or more Directors.
- 127.4 A copy of any such resolution shall be entered in the minute book of Board proceedings.
128. Except as otherwise provided in this Constitution, the Board may regulate its own proceedings. Other proceedings
129. The Board may delegate any of its powers to committees consisting of such member or members of its body as the Board thinks fit. Any committee so formed shall in the exercise of the powers delegated conform to any terms or conditions that may be imposed on it by the Board. Committees of the Board
130. A committee may elect a chairman of its meetings and may determine its own proceedings.
131. Any question arising at any meeting of a committee shall be determined by a majority of the votes of the members present, and in the case of an equality of votes, the chairman shall have a second or casting vote.
132. The Board may, from time to time, appoint any person to be an associate director and may from time to time revoke such appointment. Associate directors
133. The Board may fix, determine and vary the powers, duties and fees and benefits of any person appointed as an associate director, but a person so appointed shall not have any right to attend or vote at any meeting of the Board except by invitation and with the consent of the Board.

ALTERNATE DIRECTORS

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| <p>134. A Director may appoint a person to act as his alternate provided that –</p> <p>134.1 such person is not a director of the company;</p> <p>134.2 such person does not act as an alternate for more than one director of the company;</p> <p>134.3 the appointment is approved by a majority of his co-directors; and</p> <p>134.4 any fee paid by the Company to the alternate shall be deducted from that Director’s remuneration.</p> <p>135. An Alternate Director shall (except as regards power to appoint an Alternate Director and fees and benefits) be subject in all respects to the terms and conditions existing with reference to the other Directors, and shall be entitled to receive notices of all general meetings and meetings of the Directors and to attend speak and vote at any such meeting at which his appointor is not present.</p> <p>136. Any appointment or removal of an Alternate Director shall be by notice in writing to the Company signed by the Director making or revoking the appointment.</p> <p>137. An Alternate Director shall cease to be an Alternate Director if his appointor ceases to be a Director; but if a Director who is required to retire by rotation under this Constitution so retires and is reappointed or deemed to have been reappointed, any appointment of an Alternate Director made by him which was in force immediately prior to his retirement shall continue after his reappointment. An Alternate Director shall also cease to be an Alternate Director on the happening of any event which if he were a Director would render him legally disqualified from acting as a Director or if his appointor or the majority of the other Directors revokes his appointment by delivering a written notice to such effect to the registered office.</p> <p>138. An Alternate Director shall not be taken into account in determining the minimum or maximum number of Directors required under this Constitution or the Act.</p> | <p>Appointment of Alternate Directors</p> |
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SECRETARY

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| <p>139. The Secretary or Secretaries shall, in accordance with the Act, be appointed by the Directors for such term, at such remuneration, and upon such conditions as the Directors think fit and any Secretary or Secretaries so appointed may be removed by them. The Directors may from time to time by resolution appoint a temporary substitute for the Secretary or Secretaries who shall be deemed to be the Secretary during the term of his appointment.</p> <p>140. A provision of the Act or this Constitution requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting in both capacities.</p> | <p>Appointment of secretaries of the Company</p> |
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141. Any Director or the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolution passed by the Company or the Board or any Committee of the Board and any books, records, documents and accounts relating to the business of the Company and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the office the local manager or other officer of the Company having the custody thereof shall be deemed to be the person appointed by the Board as aforesaid.
- Power to authenticate documents

142. A document purporting to be a copy of a resolution or an extract from the minutes of a meeting of the Board or of a committee of the Board, which is certified as such in accordance with the provisions of the last preceding Rule shall be conclusive evidence in favour of all persons dealing with the Company upon the face thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of a duly constituted meeting of the Board or of the relevant committee of the Board.

MINUTES

143. The Directors shall cause minutes to be made in books provided for the purpose –
- Minutes to be made in books
- (a) of all appointments of officers made by the Directors;
 - (b) of the names of the Directors present at each meeting of Directors and of any committee of Directors; and
 - (c) of all resolutions and proceedings at all meetings of the Company and of the Directors and of committees of Directors.

THE SEAL

144. The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board or a committee of the Board and every instrument to which the Seal shall be affixed shall, except as provided by Rule 145 in the case of certificates of title of shares, stock, debenture stock, debentures or any other form of security other than letters of allotment, be signed by a Director and countersigned by a second Director or by the Secretary.
- The custody and the affixing of the Seal
145. All forms of certificate for shares, stock or debenture stock or representing any other form of security other than letters of allotment shall be issued under the Seal and bear the autographic signatures of one or more Directors and the Secretary; provided that the Board may by resolution determine that such signatures or either of them shall be dispensed with or be affixed by some method or system of mechanical signature.
146. The Board may also by resolution determine that the use of a Seal in relation to Rule 145 above shall be dispensed with and all forms of certificate of shares, stock or debenture stock or representing any other form of security other than letters of allotment shall be issued by some other method permitted under the Act.
147. The Company may exercise the powers conferred by Sections 62 and 63 of the Act and such powers shall be vested in the Directors.

DIVIDENDS AND RESERVES

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| 148. | 148.1 | Subject to the Act, the Company may make a distribution to its Members out of profits of the Company provided that the Company is solvent. | Dividends payable only if Company solvent |
| | 148.2 | Before a distribution is made by the Company to any Member, such distribution must be authorised by the Directors. The Directors may authorise a distribution at such time and in such amount as they consider appropriate, if they are satisfied that the Company will be solvent immediately after the distribution is made. | |
| | 148.3 | If after a distribution is authorised and before it is made, the Directors cease to be satisfied on reasonable grounds that the Company will be solvent immediately after the distribution is made, the Directors shall take all necessary steps to prevent the distribution from being made. | |
| | 148.4 | The Directors may fix the time that a distribution is payable and the method of payment. A distribution can be paid in cash, by the issue of shares or other securities, by the grant of options and by the transfer of assets to a Member. | |
| 149. | | All dividends shall be declared and paid according to the amounts paid on the shares in respect of which the dividend is paid, but no amount paid on a share in advance of calls shall be treated for the purposes of this Rule as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid on the shares during any part or parts of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share rank for dividend accordingly. | Payment of dividends |
| 150. | | Dividends may be declared in the currency of Malaysia or in any foreign currency and may be paid in the respective currency of the territories in which the Company's registers of shareholders are situated or in one or more other currencies as the Directors may from time to time decide and so that where any dividend is paid in a currency other than that in which it was declared it shall, for the purposes of payment, be converted into such other currency at the rate of exchange ruling on the date when those Members then on the Register of Members or Record of Depositors are declared by the Directors to be entitled to the said dividend or on such other date as the Directors may from time to time decide, such date being not more than thirty (30) days prior to the payment date for the said dividend. All dividends shall be paid after such deduction therefrom of taxation as may properly be made or such (if any) other impost or levy of whatsoever nature as may be required to be made under the laws of any territory where the Company may be resident. | Currency of payment |
| 151. | | The Directors may direct payment or satisfaction of such dividend wholly or partly by the distribution of specific assets and in particular of paid-up shares or debentures of any other company. Where any difficulty arises in regard to such distribution the Directors may settle it as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of those entitled to participate in the dividend as may seem expedient to the Directors. | Dividends-in-specie |

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152. The Directors may, before authorising any dividend, set aside out of the profits of the Company and carry to reserve or reserves such sums as they think proper, and the sums represented thereby shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may properly be applied, and pending such application may, at the like discretion, be either employed in the business of the Company or invested in such investments (other than shares of its holding company, if any) as the Directors may from time to time think fit. Reserves of the Company
153. The Directors may deduct from any dividend payable to any Member in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to such shares. This right shall not extend to any dividend payable in respect of fully paid shares held by a Member. Set-off with amounts presently owed to Company
154. All dividends unclaimed for one (1) year after being declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed or paid by the Company in accordance with the Unclaimed Moneys Act, 1965. Unclaimed dividends
155. Any dividend may be paid by directly crediting the Members' dividend entitlements into their bank accounts as provided to the Central Depository from time to time by electronic transfer or remittance to such accounts or by cheque sent through the post to the registered address, as appears in the Register of Members or the Record of Depositors, of the Member or person entitled thereto. Every such cheque or electronic transfer or remittance shall be made payable to the order of the person to whom it is sent, and payment by electronic transfer or remittance or by cheque shall be a good discharge to the Company of the dividend to which it relates. Every such cheque, electronic transfer or remittance shall be sent at the risk of the person entitled to the money thereby represented.
156. Subject to the Act, the Central Depositories Act and the CD Rules, a transfer shall not pass the right to any dividend declared thereon before registration of the transfer.
157. Notwithstanding anything contained in this Constitution, a Depositor's entitlement to dividends, rights issues, bonus issues or any other rights or options in the Company by virtue of any Deposited Securities standing to the credit of his Securities Account shall be subject to the Act, the Central Depositories Act and the CD Rules.

CAPITALISATION OF PROFITS AND RESERVES

158. The Directors may resolve to utilise the profits or other distributable reserves of the Company – Capitalisation of profits or other distributable reserves of the Company
- (a) in paying up any amounts unpaid on shares held by the Members;
 - (b) in paying up in full unissued shares or debentures to be issued to the Members as fully paid; or
 - (c) partly for the purposes stated in sub-Rule (a) and partly for the purposes stated in sub-Rule (b),
- on a basis which is in proportion to the shares held by each Member.

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159. The Directors shall do all acts required to give effect to the resolution and shall have the power to –
- (a) make payment in cash in lieu of issuing fractions of shares or debentures to any Member; and
 - (b) authorise any person to enter on behalf of all the Members entitled to any shares or debentures into an agreement with the Company for –
 - (i) the allotment and issue to those Members of any shares or debentures credited as fully paid up, upon such capitalisation; or
 - (ii) the payment by the Company on behalf of those Members, of their respective proportions of the profits to be capitalised of the amount or any part of the amount remaining unpaid on their existing shares,

in accordance with the resolution. Any agreement made pursuant to this Rule shall be effective and binding on all Members.

ACCOUNTS

160. The Directors shall cause to be kept such books of accounts as are necessary to exhibit and explain the transactions and financial position of the Company and to give a true and fair view of the state of its affairs, and in particular (but without limiting the generality of the foregoing provision) proper books of account with respect to –
- Directors to keep proper accounts
- (a) all sums of money received or expended by the Company and the matters in respect of which such receipt or expenditure takes place;
 - (b) all sales and purchases of goods by the Company; and
 - (c) the assets and liabilities of the Company.
161. The books of account shall be kept at the registered office of the Company or (subject to the provisions of the Act) at such other place as the Directors think fit, and shall at all times be open to inspection by the Directors. No Member (other than a Director) shall have any right of inspecting any account or book or document of the Company, except as conferred by the Act or authorised by the Directors or by the Company in general meeting.
162. The Board shall –
- Financial statements to be made-up and laid before the Company
- (a) prepare or cause to be prepared financial statements in accordance with the requirements of the Act;
 - (b) cause the financial statements to be audited;
 - (c) cause the audited financial statements and reports relating thereto to be sent at least twenty-one (21) days before the date of the Annual General Meeting of the Company, to –
 - (i) every Member;

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- (ii) every person who is entitled to receive notice of general meetings of the Company;
- (iii) every auditor of the Company; and
- (iv) every debenture holder of the Company upon request being made to the Company.

unless a shorter period was agreed by all the Members entitled to attend and vote at the Annual General Meeting, and

- (d) cause the audited financial statements and reports to be laid before the Annual General Meeting of the Company.

163. A hardcopy or Electronic Form of the audited financial statements, the Directors' and auditors' reports (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting shall, at least twenty-one (21) days before the meeting, be delivered either in hardcopy or in Electronic Form to every Member and debenture holder of the Company and to the Company's auditors and to every person who is entitled to receive notices from the Company under the provisions of the Act and this Constitution.

AUDIT

164. Auditors of the Company shall be appointed and their duties regulated in accordance with Section 266 and Sections 271 to 287 of the Act. Appointment of auditors
165. The auditors' report to the Members made pursuant to the statutory provisions as to audit shall be open to inspection by any Member who shall be entitled to be furnished with a copy of the balance sheet (including every document required by law to be annexed thereto) and the auditors' report in accordance with Section 266 of the Act. Auditors' report
166. Every balance sheet and profit and loss account when audited and received by the general meeting shall be conclusive except as regards any error discovered therein within three (3) months after receipt thereof.

NOTICES AND COMMUNICATION

167. 167.1 Unless otherwise provided under the Act, or the Listing Requirements, notices of meetings of Members and of meetings of the Board and any other communication between the Company and the Members and/or its Directors, including matters relating to resolutions, supply of information or documents or otherwise whether for the purposes of complying with the Act, or required to be sent under the Listing Requirements or otherwise, may be sent – Notice of Annual General Meeting, Meetings of Members and Meetings of Board and/or documents
- (a) in hardcopy;
 - (b) in Electronic Form; or
 - (c) partly in hardcopy and partly in Electronic Form.

- 167.2 A communication in hardcopy shall be valid if – Communication
in hardcopy
- (a) sent to the Company or the Secretary personally or through the post at the registered office of the Company;
 - (b) served on the Member personally, or, by sending it through post to the last known address of that Member as provided to the Central Depository and appearing in the Record of Depositors;
 - (c) served on the Director personally, or, by sending it through post at the last known address of that Director;
 - (d) sent to the Company or Secretary or Member or Director by facsimile;
or
 - (e) advertised in the daily press.
- 167.3 A communication in Electronic Form shall be valid if – Communication
in Electronic
Form
- (a) sent to the Company at an Electronic Address provided for that purpose;
 - (b) sent to the Director at the last known Electronic Address provided by that Director;
 - (c) sent to the Member at the last known Electronic Address of that Member;
 - (d) sent to a Member by means of publishing/posting on the Company's website provided that the Company must separately and immediately notify the Member in writing (via hardcopy and/or Electronic Form) of the publication of the document and/or information on the Company's website and the designated website link or address where a copy of the document and/or information may be downloaded; or
 - (e) sent to a Member using any other electronic platform maintained by the Company or third parties that can host the information in a secure manner for access by Members provided that the Company must separately and immediately notify the Member in writing of the publication of the document and/or information on such electronic platform and how such document and/or information may be downloaded.
- 167.4 Notwithstanding the modes of communication under sub-Rules 167.1 to 167.3, a Member has the right to request, by written notice to the Company, for a hardcopy of any document and/or information that is required to be sent to the Members under the Listing Requirements. Upon receipt of such request, the Company must forward a hardcopy of the document and/or information to the Member as soon as reasonably practicable, free of charge. Right to request
for hardcopy
- 167.5 Notwithstanding anything contained in this Constitution, where any document and/or information is required to be sent under the Listing Requirements to Members and such document and/or information is required to be completed by Members for a rights issue or offer for sale, the Company must send these documents and/or information through electronic mail, in hardcopy or in any other manner as the Stock Exchange may prescribe from time to time.

- 167.6 The address and contact details (including Electronic Address) –
- (a) of a Member as provided to the Central Depository and appearing in the Record of Depositors;
 - (b) of a Director appearing in the Register of Directors (or as otherwise provided by the Director for the purposes of communications with him); or
 - (c) provided by the Member or the Director to the Company for purposes of communication with him,
- shall be deemed as the last known address of the Member or Director for purposes of communication including but not limited to service of notices, documents and/or information to the Member or Director respectively.
- 167.7
- (a) Any document or material being communicated by hardcopy shall be deemed to have been served by the Company on a Member on the day the prepaid letter, envelope or wrapper containing such document or material is posted. Communication by hardcopy deemed served
 - (b) In proving service by post it shall be sufficient to prove that the letter containing the notice or document or material was properly addressed and stamped and put into a government post box or delivered to the postal authority for delivery.
 - (c) In proving service by facsimile it shall be deemed to be effective on production of a transmission report from the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the facsimile number of the recipient.
 - (d) Any notice given by newspaper advertisement shall be deemed to have been given on the day on which the newspaper advertisement shall first appear.
 - (e) Notice of general meetings given by the Company shall be deemed served on the Members whose names appear in the Record of Depositors where it first appears in a newspaper advertisement.
- 167.8
- (a) Any communication in Electronic Form sent to a Director or Member shall be deemed to be served upon transmission of the same to the Electronic Address of the addressee provided that the Company has record of the communication being delivered and does not receive an automated delivery failure notice after the communication has been transmitted. Communication in Electronic Form deemed served
 - (b) In the event of a delivery failure in respect of communication to Members in relation to any document required to be sent under the Listing Requirements, the Company shall immediately after receipt of the automated delivery failure notice, communicate to the affected Members through hardcopy as set out under sub-Rule 167.2(b).
- 167.9
- Communication by means of publication on a website shall be deemed to be served upon when the material was first made available on the website. Communication by publication on website deemed served

- 167.10 Communication via electronic platform maintained by the Company or third parties shall be deemed to be served on the date the item or material being communicated was first made available to the recipient thereto.
- 167.11 Subject to the Listing Requirements, a Member or Director who has no registered address within Malaysia and has not supplied to the Company an address within Malaysia for purposes of communication with him shall not be entitled to receive any notice or documents or communication in hardcopy through post from the Company unless the Member or Director notifies the Company of an address within Malaysia in which such notice, documents or communication could be sent immediately before such notice, documents or communication are purported to be sent.
168. 168.1 Any notice or document required to be sent to Members delivered or sent by post to or left at the last known address of any Member or advertised in accordance with Rule 167 shall, notwithstanding such Member be then deceased, and whether or not the Company have notice of his decease, be deemed to have been duly served in respect of any shares, and such service shall, for all purposes of these presents, be deemed a sufficient service of such notice or document on his heirs, executors or administrators.
- 168.2 Every person who, by operation of law, transfer, transmission or by other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share, which, prior to his name and/or address being entered in the Register of Members or the Record of Depositors as the registered holder of such share, shall have been duly given to the person from whom he derives the title to such share.
169. 169.1 Notice of every meeting of Members shall be given in any manner hereinbefore specified to –
- (a) every Member;
 - (b) every person entitled to a share in consequence of the death or bankruptcy or in case of a corporation, upon liquidation, of a Member who, but for his death or bankruptcy or liquidation, would be entitled to receive notice of the meeting;
 - (c) the auditors;
 - (d) every Director; and
 - (e) the Stock Exchange.
- 169.2 Any notice on behalf of the Company or of the Board shall be deemed effectual if it purports to bear the signature of the Secretary or other duly authorised officer of the Company.

Communication via electronic platform maintained by the Company or third parties

170. Subject to the Act and the Listing Requirements, any notice, document and/or information required by a court of law or otherwise required or allowed to be given by the Company to the Members or any of them, and not expressly provided for by this Constitution or which cannot for any reason be served in the manner referred to in this Constitution shall be sufficiently given if given by advertisement, and any notice, document and/or information required to be or which may be given by advertisement, shall be deemed to be duly served once advertised in a widely circulated newspaper in Malaysia in the national language and the English language.

WINDING UP

171. The Company may only be wound up voluntarily if the Company so resolves by Special Resolution. If the Company is wound up the liquidator may, with the sanction of a Special Resolution of the Company, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they consist of property of the same kind or not) and may for that purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how the division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of any such assets in trustees upon such trusts for the benefit of the Members as the liquidator, with the like sanction, thinks fit, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability. Distribution of assets upon winding up
172. Save that this Rule shall be without prejudice to the rights of holders of shares issued upon special terms and conditions, the following provisions shall apply –
- (a) if the Company shall be wound up and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in proportion to the capital paid up or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively; and
 - (b) if in a winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed among the Members in proportion to the capital paid up or which ought to have been paid up, at the commencement of the winding up, on the shares held by them respectively.
173. On the voluntary liquidation of the Company, no commission or fee shall be paid to a liquidator unless it shall have been approved by the Members in a general meeting. The amount of such payment shall be notified to all Members at least seven (7) days prior to the meeting at which the commission or fee is to be considered. Liquidator's commission

SECRECY CLAUSE

174. Save as may be expressly provided by the Act, no Member shall be entitled to enter into or upon or inspect any premises or property of the Company nor to require discovery of any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in opinion of the Directors, would be inexpedient in the interest of the Company to communicate to the public.

INDEMNITY

175. For the purposes of Rules under this Section on Indemnity – Definitions

“officer” includes –

- (a) any Director, manager, Secretary or employee of the Company;
- (b) a former officer;
- (c) a receiver or receiver and manager of any part of the undertaking of the Company appointed under a power contained in any instrument; and
- (d) any liquidator of the Company appointed in a voluntary winding up, but does not include –
 - (i) any receiver who is not also a manager;
 - (ii) any receiver and manager appointed by Court; or
 - (iii) any liquidator appointed by the Court or by the creditors of the Company;

“effect insurance” includes pay, whether directly or indirectly, the costs of the insurance; and

“indemnify” includes relieve or excuse from liability, whether before or after the liability arises, and “indemnity” has a corresponding meaning.

176. Subject to the provisions of the Act, the Company may indemnify an officer or auditor of the Company for any costs incurred by him or the Company in respect of any proceedings – Indemnifying officers and auditors of the Company
- (a) that relate to the liability for any act or omission in his capacity as an officer or auditor; and
 - (b) in which judgment is given in favour of the officer or auditor or in which the officer or auditor is acquitted or is granted relief under this Act, or where proceedings are discontinued or not pursued.

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177. Subject to the provisions of the Act, the Company may indemnify an officer or auditor of the Company in respect of –
- (a) any liability to any person, other than the Company, for any act or omission in his capacity as an officer or auditor;
 - (b) any costs incurred by that Director or officer in defending or settling any claim or proceedings relating to such liability except –
 - (i) any liability of the Director to pay –
 - (1) a fine imposed in criminal proceedings; or
 - (2) a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature, howsoever arising; or
 - (ii) any liability incurred by the Director –
 - (1) in defending any criminal proceedings in which he is convicted; or
 - (2) in defending any civil proceedings brought by the Company, or an associated company, in which judgment is given against him; or
 - (c) any costs incurred in connection with an application for relief under the Act.
178. The Company may, with the prior approval of the Board, effect insurance for an officer or auditor of the Company in respect of –
- (a) civil liability, for any act or omission in his capacity as a Director or officer or auditor; and
 - (b) costs incurred by that officer or auditor in defending or settling any claim or proceeding relating to any such liability; or
 - (c) costs incurred by that officer or auditor in defending or settling any proceedings that have been brought against that person in relation to any act or omission in that person's capacity as an officer or auditor –
 - (i) in which that person is acquitted;
 - (ii) in which that person is granted relief under the Act; or
 - (iii) where proceedings are discontinued or not pursued.
179. The provisions of Rules 176 - 178 shall not apply to any civil or criminal liability in respect of a breach by a Director of his duties under Section 213 of the Act.

Effecting insurance for officers and auditors of the Company

180. The Directors shall –
- (a) record or cause to be recorded in the minutes of the Board; and
 - (b) disclose or cause to be disclosed in the directors' report referred to in Section 253 of the Act,
- the particulars of any indemnity given, or insurance effected for any officer or auditor of the Company.

EFFECT OF THE LISTING REQUIREMENTS

181. The effect of the Listing Requirements shall be as follows –
- (a) Notwithstanding anything contained in this Constitution, if the Listing Requirements prohibit an act being done, the act shall not be done.
 - (b) Nothing contained in this Constitution prevents an act being done that the Listing Requirements require to be done.
 - (c) If the Listing Requirements require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be).
 - (d) If the Listing Requirements require this Constitution to contain a provision and it does not contain such a provision, this Constitution is deemed to contain that provision.
 - (e) If the Listing Requirements require this Constitution not to contain a provision and they contain such a provision, this Constitution is deemed not to contain that provision.
 - (f) If any provision of this Constitution is or becomes inconsistent with the Listing Requirements, this Constitution is deemed not to contain that provision to the extent of the inconsistency.
- Effects of the Main Market Listing Requirements on this Constitution

COMPLIANCE

182. Notwithstanding these Rules, the Company shall comply with the Act, the Central Depositories Act and the CD Rules in respect of all matters where applicable.
183. If any of the Rules in this Constitution is inconsistent with or in breach of any of the provisions of the Act other than any replaceable Rule which has been modified, replaced or excluded by the provisions in this Constitution, then –
- (a) that Rule shall be read down to the extent necessary to comply with the provisions of the Act; and
 - (b) that Rule or those portions thereof which are inconsistent with or in breach of any provision of the Act shall be struck out and deemed not to form part of this Constitution.