

THIS 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.

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SIME DARBY BERHAD

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

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

PROPOSED ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY

The resolution in respect of the above proposal will be tabled as Special Business at the Eleventh Annual General Meeting of the Company. The notice of the Eleventh Annual General Meeting of the Company together with the Form of Proxy are set out in the Annual Report 2017 of the Company despatched together with this 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 19 November 2017 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	:	Monday, 20 November 2017 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

DEFINITIONS

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

Annual Report 2017	:	Annual Report of the Company for the financial year ended 30 June 2017
Act	:	Malaysian Companies Act 2016, as amended from time to time
AGM	:	Annual General Meeting of the Company
Board	:	Board of Directors of Sime Darby
Bursa Securities	:	Bursa Malaysia Securities Berhad (Company No. 635998-W)
Circular	:	This Circular dated 24 October 2017
Constitution	:	The constitution of the Company
Director(s)	:	Shall have the meaning given in Section 2 of the Act and Section 2(1) of the Capital Markets and Services Act 2007
LPD	:	25 September 2017, being the latest practicable date prior to the date of this Circular
Major Shareholder(s)	:	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: (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 company where such person is the largest shareholder of the company For the purposes of this definition, "interest in shares" shall have the meaning given in Section 8 of the Act
MCCG 2017	:	The Malaysian Code on Corporate Governance 2017
MMLR	:	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
M&A	:	The Memorandum and Articles of Association of the Company

DEFINITIONS (*Continued*)

Person(s) Connected	:	In relation to a Director or Major Shareholder who falls under any one of the following categories: <ul style="list-style-type: none">(i) a family member of the Director or Major Shareholder. Family in relation to a person means such person who falls within any one of the following categories:<ul style="list-style-type: none">(a) spouse;(b) parent;(c) child including an adopted child and step-child;(d) brother or sister; and(e) spouse of the person referred to in subparagraphs (c) and (d) above.(ii) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the Director or Major Shareholder, or a family member of the Director or Major Shareholder, is the sole beneficiary;(iii) a partner of the Director or Major Shareholder, or a partner of a person connected with that Director or Major Shareholder;(iv) a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;(v) a person in accordance with whose directions, instructions or wishes the Director or Major Shareholder is accustomed or is under an obligation, whether formal or informal, to act;(vi) a body corporate or its Directors which/who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;(vii) a body corporate or its Directors whose directions, instructions or wishes the Director or Major Shareholder is accustomed or under an obligation, whether formal or informal, to act;(viii) a body corporate in which the Director or Major Shareholder, or persons connected with him are entitled to exercise, or control the exercise of, not less than 15% of the votes attached to voting shares in the body corporate; or(ix) a body corporate which is a related corporation of the Director or Major Shareholder
Proposed Adoption	:	Proposed Adoption of the New Constitution of the Company
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)

DEFINITIONS (Continued)

All references to “our Company” or “Sime Darby” in this 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 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 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 Circular is a reference to Malaysian time and date, respectively.

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SIME DARBY BERHAD

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

Registered Office

19th Floor, Wisma Sime Darby
Jalan Raja Laut
50350 Kuala Lumpur
Malaysia

24 October 2017

Board of Directors

Tan Sri Dato' Abdul Ghani Othman (*Independent Non-Executive Chairman*)
Tan Sri Dato' Sri Dr Wan Abdul Aziz Wan Abdullah (*Non-Independent Non-Executive Deputy Chairman*)
Tan Sri Samsudin Osman (*Non-Independent Non-Executive Director*)
Tan Sri Datuk Dr Yusof Basiran (*Independent Non-Executive Director*)
Muhammad Lutfi (*Independent Non-Executive Director*)
Datuk Zaiton Mohd Hassan (*Senior Independent Non-Executive Director*)
Datuk Wan Selamah Wan Sulaiman (*Independent Non-Executive Director*)
Datuk Dr Mohd Daud Bakar (*Non-Independent Non-Executive Director*)
Dato' Sri Lim Haw Kuang (*Independent Non-Executive Director*)
Dato' Rohana Tan Sri Mahmood (*Independent Non-Executive Director*)
Zainal Abidin Jamal (*Non-Independent Non-Executive Director*)
Tan Sri Dato' Seri Mohd Bakke Salleh (*President & Group Chief Executive*)

To: The Shareholders of Sime Darby

Dear Sirs/Madam

PROPOSED ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY

1. INTRODUCTION

The Board had, on 27 September 2017 among others, resolved to seek shareholders' approval at the forthcoming Eleventh AGM of the Company on the Proposed Adoption. An announcement was made to Bursa Securities on 27 September 2017 on the Proposed Adoption in accordance with Paragraph 9.19(16) of the MMLR.

The purpose of this Circular is to provide you with details of the Proposed Adoption and to seek your approval of the Special Resolution pertaining to the Proposed Adoption, to be tabled at the forthcoming Eleventh AGM of the Company. An extract of the Notice of the Eleventh 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 ELEVENTH AGM.

2. DETAILS OF THE PROPOSED ADOPTION

The Board proposes that the Company revoke its existing M&A in its entirety with immediate effect and in place thereof, adopt a new Constitution, taking into account the Act which came into effect from 31 January 2017, the MCGG 2017 and in line with the MMLR, and the proposed internal restructuring of the Company and its subsidiaries.

A copy of the new Constitution proposed to be adopted is set forth in the Appendix II of this Circular.

3. RATIONALE FOR THE PROPOSED ADOPTION

The Proposed Adoption is primarily for the purposes of streamlining the Company's existing M&A to be in line with the Act which was implemented with effect from 31 January 2017, the MCGG 2017, the MMLR and the prevailing statutory and regulatory requirements applicable to the Company, and the proposed internal restructuring of the Company and its subsidiaries.

The Board proposes the adoption of a new Constitution as the amendments required to be made are numerous and would entail substantial amendments to the existing M&A of the Company.

4. EFFECTS OF THE PROPOSED ADOPTION

The Proposed Adoption 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 the Directors and/or major shareholders and/or persons connected with them have any interest, direct or indirect, in the Proposed Adoption.

6. APPROVAL REQUIRED

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

7. DIRECTORS' RECOMMENDATION

The Directors of Sime Darby, having considered all aspects of the Proposed Adoption, are of the opinion that the Proposed Adoption 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 to be tabled at the forthcoming Eleventh AGM.

8. AGM

The Eleventh AGM of the Company, the Notice of which is enclosed in the Annual Report 2017 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 Monday, 20 November 2017 at 10.00 a.m., for the purposes of considering and, if thought fit, approving, inter alia, the Special Resolution on the Proposed Adoption, 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 2017 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 19 November 2017 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' ABDUL GHANI OTHMAN
Chairman

FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

The Directors of Sime Darby have seen and approved this Circular. The Directors, collectively and individually, accept full responsibility for the accuracy of the information contained in this Circular and confirm that to the best of their knowledge and belief, after making all reasonable enquiries, there are no other facts, the omission of which would 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 Circular, other than contracts entered into in the ordinary course of business:

- (i) On 28 January 2016, Sime Darby Overseas (HK) Limited (SDOHK), an indirect wholly-owned subsidiary of Sime Darby incorporated in Hong Kong, and Weifang Sime Darby Port Co. Ltd (WSDP), an indirect 99%-owned subsidiary of Sime Darby incorporated in the People's Republic of China (PRC), entered into an Equity Purchase Agreement with Overseas Hong Kong Investment Limited (OHKIL) for the disposal of their respective 49% and 1% equity interest (50% collectively) in Weifang Sime Darby Liquid Terminal Co Ltd (WSDLT), an indirect 99.99%-owned subsidiary of Sime Darby incorporated in the PRC, to OHKIL for a total cash consideration of RMB60.85 million (equivalent to approximately RM39.15 million) (Disposal).

OHKIL and SDOHK had also on the same day, entered into a Shareholders' Agreement for the management and administration of the affairs of WSDLT and existing liquid terminal at Weifang Port with effect from the granting of approval on the Articles of Association relating to the Disposal by the relevant approval authorities.

The Disposal was completed on 23 May 2016. WSDLT became a 50%-owned associate company and ceased to be a subsidiary of Sime Darby with effect from 23 May 2016.

- (ii) On 3 June 2016, Sime Darby Nominees Sendirian Berhad (SD Nominees), an indirect wholly-owned subsidiary of Sime Darby, entered into a Share Sale Agreement with Paramount Spring Sdn Bhd (PSSB) for the disposal of 125,978,324 ordinary stock units of RM1.00 each and all 48,795,600 convertible warrants 2015/2019 in Eastern & Oriental Berhad (E&O), representing approximately 10.0% equity interest in E&O (excluding treasury stocks), for a total cash consideration of RM342.2 million or approximately RM2.60 per stock unit and RM0.30 for each convertible warrant 2015/2019 in E&O (Disposal).

On 27 September 2016, SD Nominees and PSSB mutually agreed that the disposal consideration of RM342.2 million, representing RM2.60 per stock unit and RM0.30 for each convertible warrant 2015/2019 in E&O be revised to RM323.3 million, representing RM2.45 per stock unit and RM0.30 for each convertible warrant 2015/2019 in E&O.

The Disposal was completed on 29 September 2016. Following the completion of the Disposal, the equity stake of SD Nominees in E&O had reduced from 278,750,700 to 152,772,376 ordinary stock units in E&O, representing 11.57% (excluding treasury stocks) equity interest in E&O.

- (iii) On 6 June 2016, Sime Darby Offshore Engineering Sdn Bhd (SDOE), an indirect wholly-owned subsidiary of Sime Darby, completed the acquisition of 51% equity interest in Sime Darby Gas Malaysia BioCNG Sdn Bhd (SDGM) for a total cash consideration of RM0.51 million pursuant to the Joint Venture Agreement entered into between SDOE and Gas Malaysia Berhad (GMB) on 28 April 2015 (Acquisition).

Following the Acquisition, SDGM became a 51%-owned indirect subsidiary of Sime Darby with effect from 6 June 2016. The remaining 490,000 ordinary shares, representing 49% equity interest in SDGM, are held by GMB.

- (iv) On 15 August 2016, Hastings Deering (Australia) Limited (HDAL) and Sime Darby Property Singapore Limited (SDPSL), indirect wholly-owned subsidiaries of Sime Darby, entered into a framework agreement (Framework Agreement) with Japan Residential Assets Manager Limited (JRAM), manager of Saizen Real Estate Investment Trust (Saizen REIT), for the proposed disposal of industrial properties in Australia to Saizen REIT (Properties Disposal).

Pursuant to the Framework Agreement, it was intended that HDAL will sell certain of its industrial properties located in Australia to Saizen REIT (Properties) which would be master leased to HDAL (or its nominee), and SDPSL or its nominee(s) will be issued new units in Saizen REIT as part of the reverse takeover of Saizen REIT by SDPSL.

The consideration for the Properties Disposal (Consideration Amount) shall be negotiated and be based on the independent valuations of the Properties and shall be financed by the following:

- (a) part of the Consideration Amount shall be satisfied from the receivables from the issuance and allotment of the new Saizen REIT units to SDPSL or its nominee(s); and
- (b) the balance amount shall be satisfied by payment of cash proceeds from external bank financing.

SDPSL has also, on even date, entered into a conditional share purchase agreement with Japan Regional Assets Manager Limited for the proposed acquisition of 80% of the issued shares of JRAM (JRAM Acquisition). The completion of the Properties Disposal and the JRAM Acquisition are inter-conditional.

Following from the Properties Disposal set out in the Framework Agreement, the parties shall commence negotiations and mutually agree on the terms of the definitive transaction agreements to be entered into between the parties in relation to the Properties Disposal by 30 September 2016.

On 10 October 2016, Sime Darby Eastern Investments Private Limited (SDEIPL), an indirect wholly-owned subsidiary of Sime Darby, and SDPSL entered into an implementation agreement (Implementation Agreement) with JRAM in its capacity as manager of Saizen REIT (Manager) and Perpetual Corporate Trust Limited in its capacity as trustee of Sime REIT Australia (HAUT Trustee) in relation to the Properties Disposal and reverse takeover of Saizen REIT by SDPSL (RTO). Pursuant to the Implementation Agreement, the completion of the Properties Disposal is subject to the fulfilment of conditions precedent, which among others, include receipt of approval from the unitholders of Saizen REIT by 31 December 2016.

On 31 January 2017, SDEIPL and SDPSL entered into a supplemental agreement (IA Supplemental Agreement) with, inter alia, JRAM in its capacity as manager of Saizen REIT and Perpetual Corporate Trust Limited in its capacity as trustee of Sime REIT Australia to amend, among others, the Long-Stop Date from 31 January 2017 (under the Implementation Agreement) to 31 March 2017. In addition, JRAM and SDPSL have, on 31 January 2017, entered into a supplemental agreement (SPA Supplemental Agreement) to amend the conditional share purchase agreement relating to the JRAM Acquisition dated 15 August 2016 (SPA) to change, among others, certain references in the SPA in the Framework Agreement dated 15 August 2016 between SDPSL, HDAL and JRAM in its capacity as manager of Saizen REIT to the Implementation Agreement.

On 31 March 2017, SDEIPL, SDPSL, the Manager, Japan Regional Assets Manager Limited, and HAUT Trustee entered into a termination agreement pursuant to which the parties have agreed, among others:

- (a) to terminate the Implementation Agreement and the SPA and to release and discharge each of the parties from their respective obligations and liabilities under

the Implementation Agreement and the SPA; and

- (b) that in connection with paragraph (a) above, SDPSL shall pay (i) a sum of SGD3.0 million (equivalent to RM9.50 million) for the benefit of the unitholders of Saizen REIT, (ii) SGD200,000 (equivalent to RM0.63 million) for Saizen REIT's operating costs, and (iii) transaction expenses incurred by the trustee of Saizen REIT and/or the Manager in connection with the RTO.

In connection with the foregoing, Perpetual (Asia) Limited, on the instructions of the Manager and in its capacity as trustee of Saizen REIT, has also agreed (on behalf of Saizen REIT) to release and discharge SDEIPL, SDPSL and the HAUT Trustee from any claims which Saizen REIT may have against SDEIPL, SDPSL, the HAUT Trustee and/or SDPSL's affiliates in relation to the Implementation Agreement and/or the RTO.

- (v) On 5 October 2016, The Glengowrie Rubber Company Sdn Berhad (GRC), an indirect subsidiary of Sime Darby, entered into Sale and Purchase Agreements with Petaling Garden Sdn Bhd (PGSB) for the following:
 - (a) the disposal of approximately 403 acres of land owned by GRC to PGSB for a cash consideration of RM209,427,332.40; and
 - (b) the disposal of approximately 402 acres of land owned by GRC to PGSB for a cash consideration of RM219,414,333.60.

(collectively, the Disposals)

The Disposals were completed on 29 June 2017.

- (vi) On 5 October 2016, Sime Darby Plantation Berhad, a wholly-owned subsidiary of Sime Darby, entered into the following agreements with the following parties:
 - (a) Business Asset Purchase Agreement with Yong Peng Realty Sdn Bhd (YPR) for the acquisitions of YPR's assets for a cash consideration of RM77.6 million; and
 - (b) Business Asset Purchase Agreement with Perusahaan Minyak Sawit Bintang Sendirian Berhad (PMSB) for the acquisition of PMSB's assets for a cash consideration of RM29.09 million.

(collectively, the Acquisitions)

The Acquisitions were completed on 6 April 2017.

- (vii) On 6 January 2017, Sime Darby Overseas (HK) Limited (SDOHK), an indirect wholly-owned subsidiary of Sime Darby, entered into a joint venture arrangement with Shandong Chenming Paper Holdings Limited (SCPHL) in accordance with the following respective agreement and contract:
 - (a) Equity Purchase Agreement (EPA) among SDOHK, Weifang Sime Darby Port Co Ltd (WSDP), an indirect 99.0%-owned subsidiary of Sime Darby incorporated in the People's Republic of China (PRC), and SCPHL to dispose 50.0% equity interest in Weifang Sime Darby West Port Co Ltd (WSDWP), an indirect 99.9%-owned subsidiary of Sime Darby incorporated in the PRC, of which 49.0% is held by SDOHK and 1.0% is held by WSDP, to SCPHL for a total cash consideration of RMB38.61 million (equivalent to approximately RM24.92 million) (the Disposal); and
 - (b) Joint Venture Contract (JVC) between SDOHK and SCPHL for the management and administration of the affairs of WSDWP and the 3x30,000 Deadweight Tonne multipurpose terminal at the Weifang Sime Darby Port located in Shandong Province of the PRC. The JVC would be effective upon completion of the EPA.

The Disposal was completed on 6 April 2017. WSDWP became an associate company and ceased to be an indirect subsidiary of Sime Darby with effect from 6 April 2017.

- (viii) On 29 June 2017, Sime Darby Builders Sdn Bhd (SDBSB), an indirect wholly-owned subsidiary of Sime Darby, entered into a Sale and Purchase Agreement with PNB Development Sdn Berhad (PNBD) for the disposal of approximately 297.51 acres of land by SDBSB to PNBD for a total cash consideration of RM85.5 million (Disposal).

The Disposal is pending completion.

- (ix) On 31 July 2017, Sime Darby Property Berhad, a wholly-owned subsidiary of Sime Darby, entered into a Share Sale Agreement with PNB Development Sdn Berhad (PNBD) for the disposal of its entire 40% equity interest in Seriemas Development Sdn Berhad (SDSB), comprising one million (1,000,000) ordinary shares in SDSB, to PNBD for a total cash consideration of RM625 million (Disposal).

The Disposal was completed on 29 September 2017.

- (x) On 25 August 2017, Kumpulan Sime Darby Berhad, a wholly-owned subsidiary of Sime Darby, entered into several call option agreements with Sime Darby Property Berhad (Sime Darby Property) pursuant to which Sime Darby Property was granted an option to purchase the legal and beneficial ownership of and title to the parcel of lands totalling 8,793 acres located within the Malaysia Vision Valley development region at any time during the option period i.e. 5 years (with an option to extend for another 3 years, to be mutually agreed by the parties) commencing from the date of the listing of and quotation for the entire enlarged issued share capital of Sime Darby Property on the Main Market of Bursa Securities at a purchase price to be determined by an agreed independent valuer (MVV Option Agreements) subject to the terms and conditions of the MVV Option Agreements, which include, among others, prior approval of shareholders of the party(ies), if required by applicable law or rule of a stock exchange. The agreed independent valuer shall value the market value of the land on the basis prescribed in the agreement and using the methodology as it may determine.

- (xi) On 25 August 2017, Sime Darby Plantation Berhad (Sime Darby Plantation), a wholly-owned subsidiary of Sime Darby, entered into the following call option agreements with Sime Darby Property Berhad (Sime Darby Property), a wholly-owned subsidiary of Sime Darby, pursuant to which Sime Darby Property was granted call options to purchase the legal and beneficial ownership of and title to the following identified parcels of lands (Lands), at any time during the option period i.e. 5 years (with an option to extend for another 3 years commencing from the listing date of Sime Darby Property) at a purchase price to be determined by an agreed independent valuer subject to the terms and conditions of the respective agreements, which include, among others, the prior approval of shareholders of the party(ies), if required by applicable law or rule of a stock exchange:

- (a) 1,862 acres of land located within Kulai A estate and 3,186 acres within Kulai B estate in Johor;
- (b) 2,000 acres of land located within Sepang estate in Selangor;
- (c) 993 acres of land located within Sungai Kapar estate in Selangor;
- (d) 2,000 acres of land located within West Estate, Carey Island, Jugra Kuala Langat in Selangor;
- (e) 485 acres of land located within Lothian estate in Selangor;
- (f) 864 acres of land located within Byram estate in Pulau Pinang;
- (g) 268 acres of land located within Ainsdale West estate in Negeri Sembilan; and
- (h) 148 acres of land located within Bukit Selarong estate in Kedah.

(collectively, Land Option Agreements).

The agreed independent valuer shall value the Lands based on agricultural status with development potential, using the methodology as it may determine.

Sime Darby Plantation and Sime Darby Property have further agreed that, after the acquisition of the abovementioned Lands, if Sime Darby Property intends to lease, rent or grant licences over any part of the Lands for the purposes of oil palm planting and/or harvesting (and/or any agricultural venture), Sime Darby Property agreed to first offer the same to Sime Darby Plantation for tenancy. If Sime Darby Plantation exercises its right to

obtain a tenancy over such Lands, the parties are bound to enter into a tenancy agreement in the form of the template tenancy agreement in the respective Land Option Agreements.

- (xii) On 25 August 2017, Sime Darby Global Services Centre Sdn Bhd (SDGSC), an indirect wholly-owned subsidiary of Sime Darby, entered into separate master services agreements with Sime Darby Plantation Berhad (Sime Darby Plantation) and Sime Darby Property Berhad (Sime Darby Property), both wholly-owned subsidiaries of Sime Darby, respectively (Master Services Agreements) to continue to provide shared services for a period of 3 years commencing from the listing date of Sime Darby Plantation and Sime Darby Property (Identified Entities). In consideration of the services performed under the Master Services Agreements, the Identified Entities shall each pay an annual fee to SDGSC which shall be in accordance with the specific scope of services provided to the Identified Entities. The fee is subject to annual review and determined after taking into account, among others, the recoverability of the services cost, cost to maintain the relevant systems and changes to the scope of services.
- (xiii) On 25 August 2017, Sime Darby Malaysia Berhad (SD Malaysia) (as licensor), an indirect wholly-owned subsidiary of Sime Darby, entered into a Trademark and Brand Licence Agreement with Yayasan Sime Darby (Foundation) (as licensee), a company limited by guarantee founded by Sime Darby. Pursuant to the Trademark and Brand Licence Agreement, SD Malaysia granted the Foundation 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 "DELIVERING SUSTAINABLE FUTURES" tagline worldwide (collectively, Trademarks), solely in the course of or in connection with the activities carried out by the Foundation to further the charitable intent established by the Governing Council of the Foundation. The licence to use the Trademarks is therefore fixed at a nominal consideration of RM1.00.

The Trademark and Brand Licence Agreement is effective from the listing date of Sime Darby Plantation Berhad and Sime Darby Property Berhad and shall, unless terminated earlier, continue for a period of 5 years from the effective date (Term). Upon the expiry of the Term, the Foundation shall have the option to renew the term of the agreement for a further period as the parties may agree upon by giving notice of no later than 6 months prior to the end of the Term subject to the approval of SD Malaysia.

- (xiv) On 25 August 2017, Yayasan Sime Darby (Foundation), a company limited by guarantee founded by Sime Darby, entered into separate donation agreements (YSD Donation Agreements) with Sime Darby, Sime Darby Plantation Berhad and Sime Darby Property Berhad, both wholly-owned subsidiaries of Sime Darby, (Identified Entities). Pursuant to the YSD Donation Agreements, Sime Darby and the Identified Entities are to make the following annual cash donation to the Foundation for a term of 5 years with effect from the listing date of the Identified Entities (unless extended by mutual agreement of the parties):

Party	Amount
Sime Darby	RM20 million
Sime Darby Plantation Berhad	RM40 million
Sime Darby Property Berhad	RM20 million

All the donations received and all amounts earned by investing such donations, if any, will be used by the Foundation to support and promote activities carried out by the Foundation in the areas of community and health, education, youth and sports, environment, and arts and culture to further the charitable intent established by the Governing Council of the Foundation.

- (xv) On 25 August 2017, Sime Darby Lockton Insurance Brokers Sdn Bhd (SDLIB), an indirect 60%-owned subsidiary of Sime Darby, entered into separate broker services agreements (Broker Service Agreements) with Sime Darby Plantation Berhad and Sime Darby Property Berhad, both wholly-owned subsidiaries of Sime Darby, (Identified Entities) respectively where the Identified Entities may procure from SDLIB certain services including but not limited to recommending and advising them on subscription to the appropriate insurance

and/or takaful policies for their respective businesses and act as an intermediary between the respective Identified Entities and the insurance and/or takaful company for a term of 3 years commencing from the listing date of the Identified Entities (with the respective Identified Entities having an option to renew the agreement for a further period that the parties mutually agree) subject to the terms and conditions of the Broker Services Agreements. Any fee payable to SDLIB will depend on the insurance policies procured by the Identified Entities through SDLIB.

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, the Directors of Sime Darby 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 Suits**

On 23 December 2010, Sime Darby and four subsidiaries (collectively, the Plaintiffs) filed a civil suit in the High Court 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) claiming, inter alia, damages arising from the Defendants' negligence and breaches of duty in relation to the QP Project, the MOQ Project and the project relating to the construction of a derrick lay barge known as the Marine Project. The aggregate amount claimed was RM93.3 million and USD78.8 million (equivalent to approximately RM353.4 million) together with general and aggravated damages to be assessed and other relief.

On 13 June 2014, all the Defendants consented to judgment being recorded on the Defendants' liability with damages to be assessed by the Court.

The Plaintiffs shall be permitted to enforce judgment upon recovering all claims from the projects and proceeds from the sale of the derrick lay barge, or after the expiry of 3 years from the date of final judgment, whichever is earlier.

The Plaintiffs have filed a Notice of Application for directions to assess damages (Plaintiffs' Application for Assessment) and the Defendants have filed a Notice of Application for a stay of proceedings (Defendants' Application for Stay).

On 15 September 2017, the Court dismissed the Defendants' Application for Stay. The Court has fixed 16 October 2017 for case management for the Plaintiffs' Application for Assessment.

Counsel is of the view that the issues raised by the Defendants in opposing the Plaintiffs' Application for Assessment and in support of the Defendants' Application for Stay are similar and have already been determined by the Court in the Defendants' Application for Stay. As such, the same issues should not be allowed to be raised in the Plaintiffs' Application for Assessment. Therefore, there is a likelihood that the Court will allow the Plaintiffs' Application for Assessment unless the Defendants appeal against the Court's decision on the Defendant's Application for Stay and apply for and obtain an interim stay of the High Court Judge's decision pending the hearing of the appeals.

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

On 24 December 2010, Sime Darby and three subsidiaries (collectively, the Plaintiffs) filed a civil suit in the High Court against Dato' Seri Ahmad Zubair @ Ahmad Zubir Hj Murshid, Dato' Mohamad Shukri Baharom (DMS) and Abdul Rahim Ismail (collectively, the Defendants) claiming, inter alia, damages in connection with the Defendants' negligence and breaches of duty in relation to the Package CW2-Main Civil Works for the Bakun Hydroelectric Project (Bakun Project) and in respect of the Receipt, Discharge and

Indemnity Agreement dated 12 January 2010 given to DMS. The aggregate amount claimed was RM91.4 million together with general and aggravated damages to be assessed and other relief.

On 13 June 2014, all the Defendants consented to judgment being recorded on the Defendants' liability with damages to be assessed by the Court.

The Plaintiffs shall be permitted to enforce judgment upon the Malaysia-China Hydro Joint Venture receiving full settlement from Sarawak Hidro Sdn Bhd or the Ministry of Finance and/or an assignee or successor in title thereof in relation to the Bakun Project, or after the expiry of 3 years from the date of final judgment, whichever is earlier.

The Plaintiffs have filed a Notice of Application for directions to assess damages (Plaintiffs' Application for Assessment) and the Defendants have filed a Notice of Application for a stay of proceedings (Defendants' Application for Stay).

On 15 September 2017, the Court dismissed the Defendants' Application for Stay. The Court will fix a case management date for the Plaintiffs' Application for Assessment.

Counsel is of the view that the issues raised by the Defendants in opposing the Plaintiffs' Application for Assessment and in support of the Defendants' Application for Stay are similar and have already been determined by the Court in the Defendants' Application for Stay. As such, the same issues should not be allowed to be raised in the Plaintiffs' Application for Assessment. Therefore, there is a likelihood that the Court will allow the Plaintiffs' Application for Assessment unless the Defendants appeal against the Court's decision on the Defendant's Application for Stay and apply for and obtain an interim stay of the High Court Judge's decision pending the hearing of the appeals.

(iii) **Emirates International Energy Services (EMAS)**

On 13 January 2011, EMAS filed a civil suit in the Plenary Commercial Court in Abu Dhabi against Sime Darby Engineering Sdn Bhd (SDE) (First Suit) claiming payment of USD178.2 million comprising (a) a payment of USD128.2 million for commissions and (b) a payment of USD50 million as "morale compensation".

SDE filed its Statement of Defence and Counter Claim for the sum of AED100 million (equivalent to approximately RM122.1 million) on 14 August 2011. SDE's Statement of Defence contained a request for the matter to be referred to arbitration. On 22 August 2011, the Court dismissed the First Suit. EMAS did not appeal against the Court's decision.

Proceedings at the Judicial Department of Abu Dhabi (Second Suit)

On 31 March 2012, EMAS filed the Second Suit against SDE at the Judicial Department of Abu Dhabi. The claim of USD178.2 million by EMAS was based on the same facts and grounds as the First Suit.

On 18 May 2014, despite the objection of the parties, the Court issued judgment for the sum of AED41 million (equivalent to approximately RM50.1 million) against SDE.

The parties appealed to the Court of Appeal against the Court's decision.

On 2 July 2014, the Court of Appeal reversed the finding of the Court (Court of Appeal's Decision).

On 1 September 2014, EMAS filed an appeal to the Supreme Court against the Court of Appeal's Decision.

On 25 December 2014, the Supreme Court dismissed EMAS's appeal against the Court of Appeal's Decision. By virtue of the Supreme Court's decision, EMAS has effectively exhausted all its avenues in the Abu Dhabi courts in pursuing its claim against SDE.

Proceedings at Dubai Chamber of Commerce and Industry (DIAC)

On 24 January 2016, EMAS submitted a Request for Arbitration against SDE to DIAC. The amount claimed by EMAS as stated in the Request is AED41.0 million (equivalent to approximately RM50.1 million).

On 20 March 2016, SDE submitted its response to the Request. DIAC confirmed the appointment of the arbitrators and the Tribunal chairman on 6 June 2016 and 26 June 2016, respectively.

The Tribunal has set the proceeding schedule and tentatively fixed the matter for hearing from 15 January 2018 to 20 January 2018.

Counsel is of the view that the allegations put forward by EMAS are unsubstantiated and unsupported by law and fact. However, the Tribunal may at its discretion award some compensation to EMAS for the services which EMAS had previously rendered.

(iv) **Qatar Petroleum (QP) Statement of Claim**

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 (equivalent to approximately RM1.2 billion). The claim seeks 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 delivered its judgment and ordered QP to pay QAR12.9 million (equivalent to approximately RM15.9 million) to SDE (Judgment).

On 24 August 2016, SDE filed enforcement proceedings against QP to enforce the Judgment.

QP and SDE appealed to the Court of Appeal against the Judgment on 6 September 2016 and 25 September 2016, respectively. On 5 January 2017, the Court allowed QP's application for stay of the enforcement proceedings pending disposal of the parties' appeal.

The Court has fixed the parties' appeal for hearing and decision on 30 October 2017.

Counsel is of the view that there is a likelihood that the Court of Appeal will uphold the decision of the court of first instance either in its entirety or partially after taking into account the appeal by QP.

(v) **Oil and Natural Gas Corporation Ltd (ONGC) (05WHP Project)**

Sime Darby Engineering Sdn Bhd (SDE) and Swiber Offshore Construction Pte Ltd (SOC) entered into a Consortium Agreement dated 23 February 2010 to govern their relationship as a Consortium in relation to the execution and performance of the 05 Wellhead Platform Project (05WHP Project) awarded by ONGC. A contract dated 26 February 2010 (Contract) was executed for a total contract price of USD188.9 million.

Disputes and differences relating to the 05WHP Project have arisen between the Consortium and ONGC and the Consortium has invoked the referral of the dispute to arbitration pursuant to the Contract. SDE's portion of the Consortium's claim is circa USD32.5 million. The Consortium and ONGC agreed to refer the dispute to an Outside Expert Committee (OEC).

On 2 December 2014, the OEC issued its report, recommending USD12 million in full and final settlement in favour of the Consortium (OEC Recommendation), of which USD6.7 million (equivalent to approximately RM30.0 million) was apportioned to SDE and USD5.3 million (equivalent to approximately RM23.8 million) to SOC. On 20 March 2015, the Consortium informed ONGC of its objection to the OEC's recommendation and sought a higher amount of compensation. On 19 April 2015, ONGC rejected the Consortium's request.

On 21 December 2015, the Consortium issued a notice to ONGC of its intention to proceed with arbitration. During the preliminary meeting held on 13 July 2016 in Mumbai, the Tribunal set the proceedings schedule and the next procedural meeting has been fixed on 17 December 2016.

On 5 October 2016, ONGC confirmed its willingness to reconsider the OEC Recommendation and initiated its internal process for approval of a settlement.

The procedural meeting on 17 December 2016 has been adjourned pending the outcome of settlement negotiations between the parties.

Counsel is of the view that since parties have not agreed to a settlement, the Consortium will have to apply to the Tribunal to resolve this issue. There is a likelihood that the Tribunal will uphold the OEC Recommendation.

(vi) **Oil and Natural Gas Corporation Ltd (ONGC) (B-193 Process Platform)**

Sime Darby Engineering Sdn Bhd (SDE) and Swiber Offshore Construction Pte Ltd (SOC) (the Consortium) was awarded the B-193 Process Platform Project (PP Project) by ONGC. A contract dated 3 July 2010 (Contract) was executed for a total contract price of USD618.4 million.

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.

On 2 September 2016, the Consortium agreed to refer the dispute to an Outside Expert Committee (OEC) and sought ONGC's agreement to the same. The Consortium is awaiting ONGC's response.

The arbitration Tribunal commenced the hearing from 21 August 2017 to 25 August 2017, which proceedings were then adjourned to 30 October 2017 to 2 November 2017. Oral closing submission is fixed on 2 January 2018 to 5 January 2018.

Counsel is of the view that the arguments put forward by both the Consortium and ONGC have merits, however, the Consortium is in a relatively stronger position.

(vii) **Malaysia Marine and Heavy Engineering Sdn Bhd (MMHE) Notice of Arbitration**

MMHE and Sime Darby Engineering Sdn Bhd (SDE) entered into a Sale and Purchase Agreement dated 25 August 2011 (SPA) for the disposal of SDE's oil and gas business to MMHE for a consideration of RM393.5 million and a Supplemental Agreement dated 30 March 2012 (SSPA) to vary certain terms and conditions of the SPA.

The SSPA provides, inter alia, that the fabrication of KBB Topsides Contract No. KPOC/COC/2009/015 for the Keabangan Northern Hub Development (KPOC Project) between Keabangan Petroleum Operating Company Sdn Bhd and SDE dated 20 September 2011 shall be novated by SDE to MMHE with effect from 31 March 2012 for a consideration of RM20 million.

On 16 March 2015, MMHE referred the disputes relating to the KPOC Project to arbitration before the Regional Centre for Arbitration Kuala Lumpur. The claim from MMHE is RM56.9 million but was subsequently revised to RM49.3 million on 7 September 2015.

The hearing was concluded on 24 March 2017.

The parties submitted their respective written submissions on 26 May 2017 and oral submissions on 4 August 2017. The Tribunal will fix a date for decision.

Counsel is of the view that SDE's exposure has been significantly reduced and there is a fair chance that the Tribunal will be persuaded that there is no liability on the part of SDE.

(viii) **Claim against PT Anzawara Satria**

On 11 May 2006, PT Sajang Heulang (PT SHE) filed legal action in the District Court of Kotabaru against PT Anzawara Satria (PT AS) claiming for the surrender of approximately 60 hectares of land forming part of Hak Guna Usaha (HGU) 35 belonging to PT SHE on which PT AS had allegedly carried out illegal coal mining activities. The District Court of Kotabaru, the High Court of Kalimantan Selatan at Banjarmasin and subsequently the Supreme Court of Indonesia, on 10 March 2011, ruled in favour of PT AS and ordered PT SHE to surrender 2,000 hectares of land in Desa Bunati to PT AS (1st Judicial Review Decision).

Meanwhile, on 24 May 2006, PT AS claimed in the State Administration Court Banjarmasin for an order that the mining rights held by PT AS superseded the HGU 35 held by PT SHE and that the said HGU 35 measuring approximately 2,128 hectares was improperly issued to PT SHE. The State Administration Court Banjarmasin ruled in favour of PT SHE and dismissed PT AS's claim. PT AS appealed to the High Court of State Administration at Jakarta against the said decision. The High Court ruled in favour of PT AS and nullified PT SHE's HGU 35. PT SHE appealed to the Supreme Court and on 26 October 2010, the Supreme Court declared PT SHE as the lawful owner of HGU 35 (2nd Judicial Review Decision).

On 7 November 2011, PT SHE filed judicial review proceedings (3rd Judicial Review) before the Supreme Court seeking a decision on the conflicting decisions comprised by the 1st and the 2nd Judicial Review Decisions but the application was dismissed by the Supreme Court on the ground that the application could not be determined by another judicial review decision.

On 27 March 2013, PT AS in carrying out execution proceedings of the 1st Judicial Review Decision, felled oil palm trees and destroyed buildings and infrastructure, resulting in damage to approximately 1,500 hectares of land.

On 23 April 2014, PT SHE filed a claim at the District Court of Batu Licin against PT AS for the sum of IDR672.8 billion (approximately RM224 million).

On 20 January 2015, the District Court of Batu Licin decided in favour of PT SHE and awarded damages in the sum of IDR69.9 billion (approximately RM23.3 million). On 29 January 2015, PT AS appealed to the High Court of Kalimantan Selatan, Banjarmasin against the District Court Batu Licin Decision.

On 19 November 2015, the High Court of Kalimantan Selatan, Banjarmasin ruled in favour of PT AS on the ground that the same subject matter (claim for execution/compensation) and the same object matter (being 60 hectares of land in Desa Bunati) had been deliberated and decided by the High Courts and Supreme Courts. Thus, PT SHE is not entitled to bring the same action before the District Court of Batu Licin (3rd High Court Decision).

On 22 February 2016, PT SHE appealed to the Supreme Court against the 3rd High Court Decision. The parties are awaiting the Supreme Court's decision. On 28 March 2016, PT AS filed its reply to PT SHE's appeal. As at the LPD, the Supreme Court has yet to make a decision.

Counsel is of the view that it is likely that the Supreme Court will agree with the District Court of Batulicin's decision as the Banjarmasin High Court had misapplied the law.

(ix) **New Britain Palm Oil Limited (NBPOL) v. Masile Incorporated Land Group (Masile), NBPOL v. Rikau Incorporated Land Group (Rikau) & NBPOL v. Meloks Incorporated Land Group (Meloks)**

On 30 August 2011 (prior to the acquisition of NBPOL by Sime Darby Plantation Berhad on 2 March 2015), NBPOL initiated three separate legal actions against Masile, Rikau and Meloks (collectively, Defendants) in the National Court of Justice at Waigani, Papua New Guinea (Court). All three actions relate to the same cause of action in that the Defendants had defaulted in their obligations to surrender the Special Agricultural Business Leases

(SABL) to NBPOL for registration of the sub-leases despite having received benefits under the sub-lease agreements (SLA), which include, rent paid by NBPOL for the customary land of 3,720 hectares (Land), royalties for the fresh fruit bunches harvested from the Land and 31,250 ordinary shares in NBPOL issued to each of the Defendants. NBPOL sought orders for specific performance requiring the Defendants to forthwith deliver to NBPOL the SABLs to enable the sub-leases to be registered in accordance with the Land Registration Act.

By an Amended Statement of Claim dated 3 November 2014, in addition to NBPOL's claim for specific performance for the Defendants to surrender their SABLs, in the alternative, NBPOL claimed compensation for costs incurred by NBPOL in developing the Land into an oil palm estate amounting to PGK30.7 million (equivalent to RM43.4 million), compensation for appreciation of the value of the Land due to the development by NBPOL and compensation for 31,250 ordinary shares in NBPOL issued to each of the Defendants pursuant to the SLAs.

The Defendants in turn via their Defence and Cross-Claim filed on 23 April 2012, Amended Defence and Cross-Claim filed on 9 September 2012 and Further Amended Defence and Cross-Claim filed on 11 December 2014, cross-claimed amongst others, that the SLAs were unfair and inequitable agreements, and should be declared invalid, void and of no effect as well as damages for environmental damage and trespass to property by NBPOL.

Trial relating to the Meloks claim was concluded on 2 November 2016. During the submissions stage, NBPOL informed the Court that it will not pursue the alternate reliefs of compensation claimed against Meloks. The Court reserved decision to a date to be fixed. NBPOL's claims against Rikau and Masile are pending trial which the parties agreed to be decided after the decision on NBPOL's claims against Meloks is delivered by the Court.

Counsel is of the view that NBPOL's prospects of succeeding in its claims are good.

(x) **PT Mulia Agro Persada (PT MAP) and PT Palma Sejahtera (PT PS) vs. PT Minamas Gemilang (PT MGG), PT Anugerah Sumber Makmur (PT ASM) and PT Indotruba Tengah (PT ITH)**

PT MGG, PT ASM and PT ITH are involved in a lawsuit brought by PT MAP and PT PS, on the legal basis of unlawful act for non-fulfilment of rights of PT MAP as a shareholder in PT ITH.

PT MGG and PT ASM are shareholders of PT ITH, each holding 25% equity interest.

PT MAP became a shareholder of PT ITH after purchasing 6,200 ordinary shares of PT ITH (representing 50% equity interest in PT ITH as of December 2008, which was funded by PT PS) from Yayasan Kartika Eka Paksi (YKEP). Once the former officer of YKEP for the term of 2004 to 2009 was dismissed, the newly elected officer of YKEP realised that the transfer of shares from YKEP to PT MAP is a violation of the prohibition for any direct or indirect transfer of assets of a foundation (*Yayasan*) to its affiliated parties. The former officer of YKEP who entered into the earlier sale was PT MAP's shareholder and member of the Board of Directors and Board of Commissioners. In response, the newly elected officer of YKEP tried to repurchase such shares which had already been sold to PT MAP at the same price as when PT MAP purchased it from YKEP. However, PT MAP refused such offer. YKEP then filed a lawsuit to invalidate and nullify this transfer of shares. On 31 May 2016, the Supreme Court issued a decision that invalidated and nullified the transfer of the ordinary shares of PT ITH from YKEP to PT MAP (Judicial Review Decision).

Despite the existence of the Judicial Review Decision, PT MAP and PT PS still filed a lawsuit seeking compensation from all defendants, individually or jointly and severally, which consist of (i) PT ITH as Defendant I; (ii) PT MGG as Defendant II; (iii) PT ASM as Defendant III; (iv) Razman Bin Abdul Rahman as Defendant IV; (v) Ir. Achmad Ansori, S.H as Defendant V; (vi) Minwar Hidayat as Defendant VI; (vii) Ismail Bin Ali as Defendant VII; (viii) Ir. Safwani as Defendant VIII; (ix) Hersuhasto as Defendant IX; (x) Ir. Kurniawanto Setiadi as Defendant X; and (xi) YKEP as Defendant XI, in the form of: (i) material damages (direct loss) in the amount of IDR247.0 billion (equivalent to around RM79.3 million) with 3% interest of IDR137.2 billion (equivalent to around RM44.0 million)

per month, until the payment is made to PT MAP and PT PS; (ii) fine (*dwangsom*) in the amount of IDR250.0 billion (equivalent to around RM80.3 million); and (iii) immaterial damages (indirect loss) in the amount of IDR500.0 billion (equivalent to around RM160.5 million). The term “individually or jointly and severally” means that one or more defendants can be pursued to pay all amounts demanded. In other words, PT MAP and PT PS may recover all the damages from any of the defendants regardless of their individual share of the liability.

The South Jakarta District Court and Jakarta High Court, which previously adjudicated and examined this case, have rejected PT MAP’s and PT PS’s lawsuit by referring to the Judicial Review Decision. In response, PT MAP and PT PS filed an appeal to the Supreme Court. As at the LPD, the Supreme Court has yet to make a decision.

Counsel is of the view that there is no legal ground for PT MAP to act as the holder of the disputed shares, as the shareholder registry of PT ITH has never recorded PT MAP as one of the holders of shares in PT ITH, including the shares which are the subject of the dispute.

(xi) **Chantico Ship Management Ltd (Chantico) vs. Sime Darby Unimills B.V. (SD Unimills) and others**

SD Unimills is involved in litigation in respect of a vessel known as the mv Geraki (formerly known as mv Cap Thanos). The voyage of this vessel was interrupted in Greece in June 2010 while it was carrying vegetable oils for 9 different cargo owners (7 European cargo owners and 2 Algerian cargo owners), 1 of which is SD Unimills. The percentage of SD Unimills’ cargo on board was about 14.4%. The vessel owners declared themselves unable to continue the voyage to Bejaia, Barcelona, Lisbon and Rotterdam due to financial reasons, and the vessel was anchored in Psachna, Greece. The cargo owners disembarked and sold the cargo. In the meantime, the vessel was sold to Chantico by the vessel owners. The disembarkment and sale of the cargo by the cargo owners resulted in various claims and litigation between Chantico and the cargo owners before the Court of Piraeus in Greece.

The following 2 lawsuits are still pending:

- (a) proceedings before the Court of Piraeus, started in October 2014 (Lawsuit 1), which replaced the previous proceedings that commenced in 2012. A writ was served on only 2 European cargo owners so far, which does not include SD Unimills. The claims are based on alleged actions in tort (i.e. alleged delay of discharge of cargo) and the total amount claimed from all 9 cargo owners is EUR11.3 million (equivalent to around RM56.7 million). In addition, Chantico claimed a storage fee from each cargo owner based on Chantico’s alleged management of cargo owner’s assets, and the total amount claimed from SD Unimills is EUR8.4 million (equivalent to around RM42.2 million). Upon request of the parties, the Court adjourned the hearing of 7 March 2017 with no appointed date for resumption. To revive the proceedings, Chantico has to serve a writ on all cargo owners; and
- (b) proceedings before the Court of Piraeus, started in December 2015 (Lawsuit 2) and filed against the same 9 cargo owners, including SD Unimills, and a third party. As at the LPD, no writ has been served on any of the cargo owners. The claim in these proceedings is based on alleged damage to the vessel and loss of profit caused by alleged actions in tort during transshipment and heating of the cargo. The claim against the 9 cargo owners and the third party amounts to EUR9.3 million (equivalent to around RM46.7 million) and an additional claim was filed against all cargo owners of EUR380,000.00 (equivalent to around RM1.9 million) for port and anchorage dues. Similarly, in these proceedings, the Court adjourned the hearing of 7 March 2017 with no appointed date for resumption. There has been no progress since then and Chantico will have to incur considerable costs in order to revive the proceedings.

Settlement negotiations in respect of Lawsuit 1 and Lawsuit 2 thus far have not led to fruitful results.

The cargo underwriters for the 7 European cargo owners, including SD Unimills, had in January 2014 raised doubts on coverage under the cargo insurance certificates for the claims under Lawsuit 1 and Lawsuit 2, but are prepared to contribute to a settlement with a total sum of EUR583,000 (equivalent to around RM2.9 million) for the 7 European cargo owners, of which SD Unimills' share is 27.25%.

The appointed Greek counsel is of the opinion that the storage fee claim in Lawsuit 1 will be unsuccessful. He estimates the exposure of SD Unimills at EUR389,060.00 (equivalent to around RM2.0 million) for Lawsuit 1 and EUR18,087.00 (equivalent to around RM91,000.00) for Lawsuit 2.

(xii) **Land Administrator Klang vs. Sime Darby Property (Klang) Sdn Bhd (SD Property (Klang))**

On 26 February 2015, SD Property (Klang) was awarded an aggregate compensation of RM169,296,852.60 (First Compensation Award) by the Land Administrator in respect of the acquisition by Lembaga Lebuhraya Malaysia/West Coast Expressway (Acquiring Authority) of the lands owned by SD Property (Klang) held under Geran 46056 Lot 5646, Geran 46057 Lot 5648, Geran 24130 Lot 24 (23241), Geran 24132 Lot 25(23242), Geran 47244 Lot 37 (50418), Geran 33603 Lot 38 (50416) and Geran 278974 Lot 23235, all situated in Mukim Kapar, District of Klang, Selangor (collectively, Lands In Issue) for the construction of the West Coast Expressway project. The First Compensation Award was made up of the aggregate market value of the Lands In Issue of RM90,738,180 and the aggregate severance or injurious affection of the Lands In Issue of RM78.6 million (Severance or Injurious Affection Award).

The Acquiring Authority and SD Property (Klang), respectively lodged their objections to the Severance or Injurious Affection Award to the High Court of Malaya.

On 22 March 2017, the High Court of Malaya held, among others, that the reasonable and proper value of the award for severance or injurious affection of the Lands In Issue to be given to SD Property (Klang) was RM72.9 million as opposed to the Severance or Injurious Affection Award of RM78.6 million (High Court Decision).

The Acquiring Authority filed a notice of appeal on 20 April 2017 against the High Court Decision. At the case management of the Acquiring Authority's appeal on 15 August 2017, the Court of Appeal remitted the Acquiring Authority's appeal to the High Court to be heard before a different judge.

On 29 August 2017, the High Court directed the Acquiring Authority and the Land Administrator to file written submissions by 8 September 2017 on the preliminary issue of whether the Acquiring Authority's objection ought to be remitted to the High Court of Malaya to be re-heard or otherwise. The High Court fixed the decision for the preliminary issue on 12 September 2017 at which the Judge reserved his decision on the preliminary issue and directed the Acquiring Authority's objection to be re-heard before him. Case management has been fixed on 11 October 2017 for the Acquiring Authority and the Land Administrator to file their valuation reports.

SD Property (Klang) has engaged solicitors to evaluate its options in respect of the appeal by the Acquiring Authority. The solicitors are of the view that there is an even chance that the High Court Decision would be maintained by the Court of Appeal.

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 19th Floor, Wisma Sime Darby, Jalan Raja Laut, 50350 Kuala Lumpur, Malaysia, from the date of this Circular up to and including the date of the AGM:

- (i) the proposed new 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 2016 and 30 June 2017;
- (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.

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PROPOSED NEW CONSTITUTION OF THE COMPANY

**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

- | | | |
|----|--|------------------------|
| 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. | <p>To carry on the business of manufacturers, assemblers, dealers, exporters, importers, hirers, repairers, cleaners, storage and warehouseers 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.</p> | |
| 3.2. | <p>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.</p> | |
| 3.3. | <p>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</p> | |

distributors, wholesalers, dealers for all such goods and to prepare, manufacture and render marketable any such goods either in their raw states, or in parts or as prepared or manufactured and either by wholesale or retail, or likely to be required in connection with any of the aforesaid businesses.

- 3.4. To carry on the businesses of ports and logistics operation as well as water treatment and distribution, which include 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

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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.
- 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.

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- 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;

“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;

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“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;

“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” means any person 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 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;

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“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;

“Year” means a calendar year commencing from the 1st January to the 31st December inclusive.

- 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 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

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- 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

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 also 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.

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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

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 shareholders in that class, or by a Special Resolution passed by shareholders in that class sanctioning the variation. Variation of shareholders' rights
- 11.2. For the purposes of sub-Rule 11.1 –
- (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;

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- (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. 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 –
 - (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.
- 11.6. A variation of class rights shall take effect in accordance with the Act.
- 12. 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 shareholders 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 – Prior approval required before allotment of shares
- 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.

15. Subject to the provisions of the Act, Listing Requirements and this Constitution, the requirement 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;

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- 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.
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 shareholders 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

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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.

Subject to the Listing Requirements and notwithstanding the existence of a resolution pursuant to Section 76 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.

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

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| 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 |
| 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 |

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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.
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

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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 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 transfers 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
- Company and Directors not liable if transfer of Securities inoperative due to fraud

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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.

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

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 –
- Right of election by holders of shares or debentures
- (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.
- 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) 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

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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 may, at any time thereafter before payment as required by such notice has been made and subject to the Act, the Central Depositories Act and the CD Rules, be forfeited by a resolution of the Directors to that effect. 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
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 Statutory declaration as conclusive evidence and sale of shares forfeited

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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 or instalments payable and accrued compensation, shall be paid to the person entitled to the shares immediately before the forfeiture thereof or to his executors, administrators, or assignees or as he directs.

49. The provisions of Rules 43 to 49 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
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; or
 - (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,
 - (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 a meeting shall be given to all Members at least fourteen (14) days before the meeting, or at the 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 time 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

Notice of
meetings

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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.

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 sending it –
- (a) personally or by post to the address as appearing in the Record of Depositors; or
 - (b) in electronic form 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). If the notice of meeting is published on the Company's website, a notification shall be given in accordance with Rule 61.7.
- 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 state –

- (a) the place, day, date and time of the meeting; and
- (b) the general nature of the business of the meeting.

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.

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- 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.
- 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. Notice of a meeting of Members shall – Form of notice
- 62.1. be in writing and shall be given to the Members either in hardcopy, or in electronic form, or partly in hardcopy and partly in electronic form;
- 62.2. state prominently –
- (a) 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;
 - (b) 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
 - (c) the place at which the instrument of proxy is to be deposited.
63. 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

64. 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 sanctioning dividends, 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 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 Special business

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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.

65. 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
66. 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 be 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
67. 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
68. 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

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69. 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
70. Subject to 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; 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.

71. 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
72. 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

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73. A poll demanded on the election of the chairman 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 directs.
74. 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

75. 75.1. 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.
- 75.2. 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.
- 75.3. Notwithstanding sub-Rule 75.1, no Member shall be entitled to vote at a general meeting unless all calls or other sums presently payable by the Member in respect of his shares has been paid.
- 75.4. 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.
- 75.5. 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.
- 75.6. Subject to sub-Rules 75.7 and 75.8, 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.

Voting by
Members

Appointment of
proxy

- 75.7. Subject to sub-Rule 75.8, 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.
- 75.8. 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.
- 75.9. 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.
- 75.10. 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.
- 75.11. 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.

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76. 76.1. 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
- 76.2. 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
- 76.3. A Member shall be entitled to appoint up to two (2) corporate representatives.
- 76.4. If the corporation authorises more than one person and more than one of the representatives purport to exercise the power under sub-Rule 76.2 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.
- 76.5. 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.
- 76.6. 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
77. 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 Vote of Members of unsound mind

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than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting.

78. 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.
79. 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. Voting allowed if shares have been paid up
80. 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. Objection to qualification of voter to be raised at meeting or adjourned meeting
81. 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. Instrument of appointment of proxy
82. 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 75.11) or transfer shall have been received by the Secretary before the commencement of the meeting or adjourned meeting at which the proxy is used.

DIRECTORS

83. 83.1. 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 of Directors, whichever is higher, shall be Independent Directors. Number and appointment of Directors
- 83.2. 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 83.1. 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.
84. 84.1. 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
- 84.2. 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.
- 84.3. 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.
85. Subject to Rule 84, 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
86. 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.

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87. 87.1. 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;
 - (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.
- 87.2. 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.
88. 88.1. 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 Contracts or arrangements which Directors are interested

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, nor shall he be counted in the quorum present at a meeting upon the consideration of a motion concerning any such contract or arrangement.

- 88.2. 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.
89. Subject to sub-Rule 88.1 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
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
- Power to establish and maintain pensions and funds

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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. Power to appoint attorney of the Company
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 – Directors' borrowing powers
- (a) the amount paid up on the issued share capital of the Company; and
- (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,

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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

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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.

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 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 holding an equivalent position 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.

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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 some Member intending to propose him 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

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108. Without prejudice to the provisions 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.

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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.
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.

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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 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

134. A Director may appoint a person to act as his alternate provided that – Appointment of Alternate Directors
- 134.1. such person is not a director of the company;
 - 134.2. such person does not act as an alternate for more than one director of the company;
 - 134.3. the appointment is approved by a majority of his co-directors; and
 - 134.4. any fee paid by the Company to the alternate shall be deducted from that Director's remuneration.
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.
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.
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 appointer or the majority of the other Directors revokes his appointment by delivering a written notice to such effect to the registered office.
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.

SECRETARY

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. Appointment of secretaries of the Company
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.
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 Committee.

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

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- (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

148. 148.1. Subject to the Act, the Company may make a distribution to its shareholders 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 shareholder, 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.

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- 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 shareholder.
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
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 Reserves of the Company

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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.

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 shareholder. 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;

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- (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.

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;

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- (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 -
- (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;
 - (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.
- Financial statements to be made-up and laid before 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 paper copy or through electronic means (including but not limited to Compact Disc Read-Only Memory (CD-ROM), Digital Versatile Disc Read-Only Memory (DVD-ROM), electronic mail or publication on the website or other electronic platform(s) of the Company) or in any other format whatsoever (whether available now or in the future) through which images,

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data, information or other materials may be viewed whether electronically or digitally or howsoever or in such other form of electronic media, of the annual report of the Company which shall comprise the profit and loss account, the balance sheet, 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 or sent by post 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. The requisite number of copies of each of these documents shall at the same time be forwarded to each stock exchange upon which the Company's shares are listed.

AUDIT

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|------|---|-------------------------|
| 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. | |

WINDING UP

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| 167. | 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 |
|------|--|--|

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168. 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.
169. 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

170. 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

171. 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.

172. 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.

173. 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.
174. 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
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(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.

175. The provisions of this Rule 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.

176. 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

177. The effect of the Listing Requirements shall be as follows -

Effects of the
Main Market
Listing
Requirements
on this
Constitution

(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).

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- (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.

COMPLIANCE

- 178. 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.
- 179. 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.

EXTRACT OF THE NOTICE OF THE ELEVENTH ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS**RESOLUTION 8**

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

Proposed Adoption of the New Constitution of the Company

“THAT approval be and is hereby given to revoke the existing Memorandum and Articles of Association of the Company with immediate effect and in place thereof, the proposed new Constitution of the Company as set out in the Circular to Shareholders dated 24 October 2017 accompanying the Company’s Annual Report 2017 for the financial year ended 30 June 2017 be and is hereby adopted as the 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.”

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