

# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN** that the Sixteenth Annual General Meeting (AGM) of Sime Darby Berhad (Sime Darby or Company) will be held virtually through live streaming from the broadcast venue at Function Room, Ground Floor, Menara Sime Darby, Oasis Corporate Park, Jalan PJU 1A/2, Ara Damansara, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Tuesday, 15 November 2022 at 10.00 a.m. for the following businesses:

## AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 June 2022 together with the Reports of the Directors and the Auditors thereon.  
*Refer to Explanatory Note 1*
2. To approve the payment of fees to the Non-Executive Directors up to an amount of RM4,400,000 from the Sixteenth AGM until the next AGM of the Company. **(Resolution 1)**  
*Refer to Explanatory Note 2*
3. To approve the payment of benefits to the Non-Executive Directors up to an amount of RM1,500,000 from the Sixteenth AGM until the next AGM of the Company. **(Resolution 2)**  
*Refer to Explanatory Note 2*
4. To elect Tan Sri Muhammad Shahrul Ikram Yaakob who retires pursuant to Rule 82.2 of the Constitution of the Company and who being eligible, offers himself for election. **(Resolution 3)**  
*Refer to Explanatory Note 3*
5. To re-elect the following Directors who retire pursuant to Rule 103 of the Constitution of the Company and who being eligible, offer themselves for re-election:
  - (i) Datuk Wan Selamah Wan Sulaiman **(Resolution 4)**
  - (ii) Thayaparan Sangarapillai **(Resolution 5)***Refer to Explanatory Note 3*
6. To re-appoint Messrs PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 30 June 2023 and to authorise the Directors to determine their remuneration. **(Resolution 6)**  
*Refer to Explanatory Note 4*

## AS SPECIAL BUSINESS

7. To consider and, if thought fit, pass the following Ordinary Resolutions:
  - (i) **Proposed Renewal of Share Buy-Back Authority for the Company to Purchase its Own Shares of up to Ten Percent (10%) of the Total Number of Issued Shares of the Company (Proposed Share Buy-Back)**  
 "THAT subject to the Companies Act 2016 (Act), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Listing Requirements) and all other applicable laws, guidelines, rules and regulations that may be in force from time to time, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad upon such terms and conditions as the Directors may deem fit and expedient in the best interest of the Company provided that:
    - (a) the aggregate number of shares purchased (which are to be treated as treasury shares) does not exceed ten percent (10%) of the total number of issued shares of the Company; and
    - (b) the funds allocated for the purchase of shares shall not exceed its retained profits.

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THAT the Directors be and are hereby authorised, at their absolute discretion, to deal with the treasury shares which may be distributed as dividends, resold, transferred, cancelled and/or in any other manners as may be permitted or prescribed by the Act, the Listing Requirements and any applicable laws, rules, regulations, guidelines, requirements and/or orders of any other relevant authorities for the time being in force.

THAT such authority shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (AGM); or
- (b) the expiration of the period within which the next AGM is required by law to be held; or
- (c) revoked or varied in a general meeting,

whichever is the earlier;

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

**(Resolution 7)**

*Refer to Explanatory Note 5*

(ii) **Proposed Renewal of Existing Shareholders’ Mandate for the Company and/or its Subsidiaries to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature with Related Parties Involving the Interest of AmanahRaya Trustees Berhad - Amanah Saham Bumiputera (ASB)**

“THAT in accordance with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and subject to the Companies Act 2016 (Act), the Constitution of the Company, other applicable laws, guidelines, rules and regulations, and the approvals of the relevant governmental and/or regulatory authorities, approval be and is hereby given to the Company and/or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature with the related parties involving the interest of ASB, as set out in Section 2.3 of Part B, the Circular to Shareholders dated 17 October 2022, which are necessary for the day-to-day operations in the ordinary course of business of the Company and/or its subsidiary companies on normal commercial terms which are not more favourable to the related parties than those generally available to the public, undertaken on arm’s length basis, and are not detrimental to the minority shareholders of the Company (Mandate);

THAT the Mandate shall continue to be in force until:

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

whichever is the earlier;

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

**(Resolution 8)**

*Refer to Explanatory Note 6*

(iii) **Proposed Renewal of Existing Shareholders' Mandate for the Company and/or its Subsidiaries to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature with Related Parties Involving the Interest of Bermaz Auto Berhad (Bermaz)**

"THAT in accordance with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and subject to the Companies Act 2016 (Act), the Constitution of the Company, other applicable laws, guidelines, rules and regulations, and the approvals of the relevant governmental and/or regulatory authorities, approval be and is hereby given to the Company and/or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature with the related parties involving the interest of Bermaz, as set out in Section 2.3 of Part B, the Circular to Shareholders dated 17 October 2022, which are necessary for the day-to-day operations in the ordinary course of business of the Company and/or its subsidiary companies on normal commercial terms which are not more favourable to the related parties than those generally available to the public, undertaken on arm's length basis, and are not detrimental to the minority shareholders of the Company (Mandate);

THAT the Mandate shall continue to be in force until:

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

whichever is the earlier;

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

**(Resolution 9)**

*Refer to Explanatory Note 6*

8. To transact any other business for which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

**By Order of the Board**



**Noor Zita Hassan**  
Group Secretary  
(MIA 15073)  
(SSM PC No. 202008002513)

Petaling Jaya,  
Selangor Darul Ehsan  
17 October 2022

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## Notes:

1. The broadcast venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairperson of the meeting to be present at the main venue of the meeting. Members and proxies WILL NOT BE ALLOWED to attend this AGM in person at the broadcast venue on the day of the AGM. Members and proxies are advised to participate and vote remotely at this AGM using the Remote Participation and Voting (RPV) facilities provided by the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd (Tricor) through its TIIH Online website at <https://tiih.online>. Members are advised to read the Administrative Guide carefully and follow the procedures in the Administrative Guide for this AGM in order to participate remotely.
2. For the purpose of determining who shall be entitled to attend this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Rule 64 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 (SICDA), to issue to the Company, a Record of Depositors as at 7 November 2022. Only a Member whose name appears on this Record of Depositors as at 7 November 2022 shall be entitled to attend this AGM or appoint a proxy to attend, participate, speak and vote on his/her behalf.
3. A Member entitled to attend and vote at this AGM is entitled to appoint not more than two (2) proxies to exercise all or any of his/her rights to attend, participate, speak and vote at this AGM on his/her behalf. Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy. A proxy may, but need not, be a Member of the Company. A Member may appoint any person to be his/her proxy without any restriction as to the qualification of such person.
4. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Listing Requirements), all resolutions set out in the Notice of the Sixteenth AGM of the Company shall be put to vote by way of a poll.
5. Where a Member of the Company is an Authorised Nominee as defined under SICDA, he/she may appoint not more than two (2) proxies in respect of each Securities Account he/she 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/her.
6. Where a Member of the Company is an Exempt Authorised Nominee as defined under SICDA which holds ordinary shares in the Company for multiple beneficial owners in one (1) 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.
7. The instrument appointing a proxy shall be in writing signed by the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or signed by an officer or attorney so authorised. Any alteration to the instrument appointing a proxy must be initialled.
8. The Form of Proxy and power of attorney or other authority, if any, under which it is signed or notarially certified copy of that power or authority, must be deposited with Tricor not less than 24 hours before the time appointed for the taking of the poll or no later than Monday, 14 November 2022 at 12.00 p.m. The Form of Proxy can be submitted through either one of the following avenues:
  - (i) Lodgement of Form of Proxy: To be deposited at Tricor's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, at Tricor's Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
  - (ii) Electronic lodgement of Form of Proxy: The Form of Proxy can be lodged electronically via Tricor's TIIH Online website at <https://tiih.online>. Please follow the procedures for electronic lodgement of Form of Proxy in the Administrative Guide for this AGM.
9. A Member who has appointed a proxy to participate in this AGM must request his/her proxy to register himself/herself for the RPV at Tricor's TIIH Online website at <https://tiih.online>. Please follow the procedures in the Administrative Guide for this AGM.
10. The Administrative Guide on the conduct of a virtual AGM of the Company is available at the Company's website at <http://www.simedarby.com/investor/agmegm>.

## Explanatory Notes

### 1. Audited Financial Statements for the financial year ended 30 June 2022

The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Act. There is no requirement to seek shareholders' approval and hence, this agenda item is meant for discussion only and will not be put forward for voting.

### 2. Resolutions 1 and 2 – Directors' Fees and Benefits

Section 230(1) of the Act provides that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agreed that the Directors' fees and benefits payable to the Non-Executive Directors (NEDs) be maintained as per the previous AGM. Accordingly, the Company is seeking the shareholders' approval at the Sixteenth AGM on the payment of Directors' fees and benefits of an amount up to RM4,400,000 and RM1,500,000 respectively, to the NEDs with effect from the Sixteenth AGM until the next AGM of the Company as follows:

(i) The payment of Directors' fees for the NEDs is based on the following fee structure:

Board/Board Committee	NED Fees (RM/Year)	NED Fees (RM/Year)
	Chairman	Member
Board	560,000	240,000 <sup>1</sup> 380,000 <sup>2</sup>
• Governance & Audit Committee	80,000	50,000
• Risk Management Committee		
Other Committees	60,000	35,000
Board of Subsidiaries	150,000	100,000

Notes:

<sup>1</sup> Fee for Resident Director

<sup>2</sup> Fee for Non-Resident Director

(ii) The benefits payable for the NEDs comprising the following:

- Company car, petrol and driver for the Non-Executive Chairman
- Telecommunication devices/facilities
- Club membership subscription
- Medical and insurance coverage
- Discount on purchases of Group/Company products on terms not more favourable than those given to the public/employees
- Other claimable benefits including reimbursable expenses incurred in the course of carrying out their duties as Directors

In determining the estimated total amount of Directors' fees and benefits payable for the NEDs, the Board has considered various factors including the number of scheduled and special meetings for the Board, Board Committees and boards of subsidiaries, based on the current number of NEDs including a provisional sum as a contingency for future appointment of NEDs on the Board, Board Committees and boards of subsidiaries.

The proposed Resolutions 1 and 2, if passed, will give authority to the Company to pay the Directors' fees and benefits on a monthly basis and/or as and when incurred. The Board is of the view that it is just and equitable for the NEDs to be paid the Directors' fees and benefits on a monthly basis and/or as and when they are incurred, particularly after the Directors have discharged their responsibilities and rendered their services to the Company and its subsidiaries.

### 3. Resolutions 3 to 5 – Election and re-election of Directors

(i) Rule 82.2 of the Constitution of the Company expressly states that a Director appointed by the Board shall hold office until the conclusion of the next AGM of the Company and shall be eligible for election.

Tan Sri Muhammad Shahrul Ikram Yaakob was appointed during the year, being eligible, has offered himself for election at the Sixteenth AGM pursuant to Rule 82.2 of the Constitution of the Company. Tan Sri Muhammad Shahrul has completed his Mandatory Accreditation Programme pursuant to the provision of the Listing Requirements.

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- (ii) Rule 103 of the Constitution of the Company expressly states that at every AGM, 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 meeting shall retain office until the conclusion of the meeting. In addition, Rule 104 of the Constitution of the Company states that all Directors shall retire from office at least once every three (3) years. A retiring Director shall be eligible for re-election.

The Directors who are subject to re-election at the Sixteenth AGM of the Company are Datuk Wan Selamah Wan Sulaiman, Dato' Sri Abdul Hamidy Abdul Hafiz, Dato' Ahmad Pardas Senin and Mr Thayaparan Sangarapillai. Datuk Wan Selamah and Mr Thayaparan, being eligible, have offered themselves for re-election at the Sixteenth AGM pursuant to Rule 104 of the Constitution of the Company while Dato' Sri Abdul Hamidy and Dato' Ahmad Pardas have expressed their intention not to seek re-election at the Sixteenth AGM and therefore they will retain office until the conclusion of this AGM.

The NRC and the Board have considered the results of the Board Effectiveness Assessment conducted for the financial year ended 30 June 2022 that the performance of each of the retiring Directors was found to be satisfactory and met the fit and proper assessment criteria.

#### 4. Resolution 6 – Re-appointment of Auditors

The Governance & Audit Committee (GAC) at its meeting held on 19 September 2022 undertook the annual assessment of the suitability and effectiveness of the external audit process, and the performance, suitability and independence of the external auditors, PricewaterhouseCoopers PLT (PwC). The following factors were considered:

- (i) Dissemination of information about policies and processes for maintaining independence, objectivity and the monitoring of PwC's compliance with professional ethical standards;
- (ii) Communication of audit strategy and current developments in relation to accounting and auditing standards relevant to the Group's financial statements and the potential impact on the audit;
- (iii) Timeliness and quality of communications with regard to significant audit, accounting, related risks and control weaknesses and recommendations as well as effective use of meetings with the GAC without management presence;
- (iv) Competency in the coordination of resources and technical knowledge, and expertise in managing its engagement; and
- (v) Reasonableness of the audit fees charged.

The GAC was satisfied with the suitability of PwC based on the quality of audit, performance, competency and sufficiency of resources that the external audit team had provided to the Sime Darby Group as prescribed under Paragraph 15.21 of the Listing Requirements.

The Board at its meeting held on 22 September 2022 approved the GAC's recommendation that the shareholders' approval be sought at the Sixteenth AGM on the re-appointment of PwC as external auditors of the Company for the financial year ending 30 June 2023 under Resolution 6. The present external auditors, PwC, have indicated their willingness to continue their services for the next financial year.

#### Explanatory Notes on Special Business

##### 5. Resolution 7 – Proposed Share Buy-Back

The proposed Resolution 7, if passed, will give authority to the Company to purchase its own shares through Bursa Malaysia Securities Berhad up to ten percent (10%) of the total number of issued shares of the Company. Please refer to the Share Buy-Back Statement dated 17 October 2022 for further information.

##### 6. Resolutions 8 and 9 – Proposed Shareholders' Mandate

The proposed Resolutions 8 and 9, if passed, will respectively renew the existing shareholders' mandate to enable the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations and are on normal commercial terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

Detailed information on the Proposed Shareholders' Mandate is set out in Section 2.3 of Part B, the Circular to Shareholders dated 17 October 2022.