

**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.

Bursa Malaysia Securities Berhad (“Bursa Securities”) has not perused this Circular as Sime Darby Berhad (“Company”) has been selected by Bursa Securities as one of the eligible listed issuers under the Green Lane Policy. Bursa Securities takes no responsibility for the contents of this Circular and makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



**SIME DARBY BERHAD**  
(Registration No. 200601032645 (752404-U))  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO THE**

**PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR EXISTING RECURRENT RELATED PARTY TRANSACTIONS AND PROPOSED NEW SHAREHOLDERS’ MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

The resolutions in respect of the above proposals will be tabled as Special Business at the Seventeenth Annual General Meeting (“AGM”) of the Company to 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 Thursday, 16 November 2023 at 10.00 a.m. via Remote Participation and Voting facilities which are available on the Company’s Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd’s (“Tricor”) TIIH Online website at <https://tiih.online>. The notice of the Seventeenth AGM of the Company together with the Form of Proxy, Administrative Guide and this Circular are available online at the Company’s website at <https://www.simedarby.com/investor/agmegm>.

You are entitled to vote at the AGM. If you are unable to attend the AGM, you are entitled to appoint a proxy or proxies to attend and vote on your behalf. In such event, you should complete the Form of Proxy and deposit it 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, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or by electronic lodgement via Tricor’s TIIH Online website at <https://tiih.online> not less than 24 hours before the time appointed for the taking of the poll or no later than Wednesday, 15 November 2023 at 11.00 a.m. For electronic lodgement, please follow the procedures as set out in the Administrative Guide.

Date and time of the AGM : Thursday, 16 November 2023 at 10.00 a.m.

Last date and time for lodging of the Form of Proxy : Wednesday, 15 November 2023 at 11.00 a.m.

## 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 2023	:	Annual Report of the Company for the financial year ended 30 June 2023
Act	:	Malaysian Companies Act 2016, as amended from time to time including any re-enactment thereof
AGM	:	Annual General Meeting of the Company
ASB	:	AmanahRaya Trustees Berhad – Amanah Saham Bumiputera (Registration No. 200701008892 (766894-T))
Bermaz	:	Bermaz Auto Berhad (Registration No. 201001016854 (900557-M))
Board	:	Board of Directors of Sime Darby
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
Circular	:	This Circular to Shareholders dated 18 October 2023
CMSA	:	Capital Markets and Services Act 2007
Constitution	:	The constitution of the Company
Director(s)	:	Shall have the meaning given in Section 2(1) of the CMSA and for the purpose of the Proposed Shareholders' Mandate includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a Director or the Chief Executive Officer of Sime Darby and its subsidiaries
EPF	:	Employees Provident Fund Board (EPF Act 1991)
EPS	:	Earnings per share
LPD	:	20 September 2023, being the latest practicable date prior to the date of this Circular
GAC	:	Governance & Audit Committee of the Board of Sime Darby
Major Shareholder(s)	:	Means a person who has an interest or interests in one (1) or more voting shares in a company and the number or aggregate number of those shares, is:  (i) 10% or more of the total number of voting shares in the company; or (ii) 5% or more of the total number of voting shares in the corporation where such person is the largest shareholder of the company;

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

## DEFINITIONS (*Continued*)

---

Listing Requirements	:	The Main Market Listing Requirements of Bursa Securities and any amendment made thereto from time to time and any Practice Notes issued in relation thereto
Person(s) Connected	:	Shall have the same meaning given in Paragraph 1.01, Chapter 1 of the Listing Requirements
PNB	:	Permodalan Nasional Berhad (Registration No. 197801001190 (38218-X))
Proposed Shareholders' Mandate	:	Proposed renewal of shareholders' mandate for existing recurrent related party transactions and proposed new shareholders' mandate for additional recurrent related party transactions which are in the ordinary course of business of the Sime Darby Group
Recurrent Related Party Transaction(s)	:	Related party transaction(s) which is recurrent, of a revenue or trading nature, and which is necessary for the day-to-day operations of the Sime Darby Group
Related Party(ies)	:	A Director, Major Shareholder or a person connected with such Director or Major Shareholder as defined under Paragraph 1.01 of the Listing Requirements. For the purpose of the Proposed Shareholders' Mandate, the Related Parties are set out in Section 2.3 of this Circular
Related Party Transaction	:	A transaction entered into by the Sime Darby Group which involves the interests, direct or indirect, of a Related Party
RM and sen	:	Ringgit Malaysia and sen, respectively
Sime Darby Group or the Group	:	Sime Darby and its subsidiary companies, collectively
Sime Darby or the Company	:	Sime Darby Berhad (Registration No. 200601032645 (752404-U))
Substantial Shareholder	:	Shall have the meaning given in Section 136 of the Act

## **DEFINITIONS (Continued)**

---

All references to “our Company” or “Sime Darby” in this 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.

The rest of this page has been intentionally left blank
---

## CONTENTS

---

	<b>Page</b>
<b>PROPOSED SHAREHOLDERS' MANDATE</b>	
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE	2
2.1 Provisions of the Listing Requirements	2
2.2 Principal activities of the Sime Darby Group	3
2.3 Classes of Related Parties and Details of Recurrent Related Party Transactions	5
2.4 Outstanding amount due under the Recurrent Related Party Transactions	7
2.5 Review of procedures on Recurrent Related Party Transactions	8
2.6 Statement by the GAC	9
3. RATIONALE AND BENEFITS OF THE PROPOSED SHAREHOLDERS' MANDATE	10
4. EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE	10
5. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM	10
6. APPROVAL REQUIRED	11
7. DIRECTORS' RECOMMENDATION	11
8. AGM	11
9. FURTHER INFORMATION	12
 <b>APPENDICES</b>	
APPENDIX I – FURTHER INFORMATION	13
APPENDIX II – EXTRACT OF THE NOTICE OF THE SEVENTEENTH AGM	17



**SIME DARBY BERHAD**  
(Registration No. 200601032645 (752404-U))  
(Incorporated in Malaysia)

**Registered Office**

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

18 October 2023

**Board of Directors**

Tan Sri Samsudin Osman (*Non-Independent Non-Executive Chairman*)  
Thayaparan Sangarapillai (*Senior Independent Non-Executive Director*)  
Tan Sri Ahmad Badri Mohd Zahir (*Non-Independent Non-Executive Director*)  
Tan Sri Muhammad Shahrul Ikram Yaakob (*Independent Non-Executive Director*)  
Mohamad Idros Mosin (*Non-Independent Non-Executive Director*)  
Dato' Lee Cheow Hock Lawrence (*Non-Independent Non-Executive Director*)  
Moy Pui Yee (*Independent Non-Executive Director*)  
Dato' Dr Nirmala Menon (*Independent Non-Executive Director*)  
Scott William Cameron (*Independent Non-Executive Director*)  
Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz (*Independent Non-Executive Director*)  
Dato' Jeffri Salim Davidson (*Group Chief Executive Officer*)  
Edree Ahmad (*Alternate Director to Mohamad Idros Mosin*)

**To: The Shareholders of Sime Darby**

Dear Sir/Madam

**PROPOSED SHAREHOLDERS' MANDATE**

---

**1. INTRODUCTION**

At the Sixteenth AGM of the Company held on 15 November 2022, the Company had obtained a mandate from its shareholders to allow the Company and/or its subsidiaries to enter into Recurrent Related Party Transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations and are carried out in the ordinary course of business on normal commercial terms and on terms which are not more favourable to the Related Parties than those generally available to the public ("2022 Shareholders' Mandate"). The 2022 Shareholders' Mandate shall, in accordance with the Listing Requirements, expire at the conclusion of the forthcoming Seventeenth AGM which will be held on 16 November 2023 unless a renewal of the 2022 Shareholders' Mandate is obtained from shareholders at the said AGM.

In addition to the renewal of the 2022 Shareholders' Mandate, the Company will also be seeking a new shareholders' mandate for the Sime Darby Group to enter into additional Recurrent Related Party Transactions of a revenue or trading nature with its Related Parties.

The Company had, on 25 September 2023, announced through Bursa Securities that the Board had resolved to seek shareholders' approval for the Proposed Shareholders' Mandate in accordance with Paragraph 10.09 of the Listing Requirements at the forthcoming Seventeenth AGM.

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

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

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

## **2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE**

### **2.1 Provisions of the Listing Requirements**

- (i) Pursuant to Paragraph 10.09 of the Listing Requirements, the Company may seek from its shareholders the Proposed Shareholders' Mandate in respect of Recurrent Related Party Transactions, subject to the following:
  - (a) the transactions are in the ordinary course of business and are on terms which are not more favourable to the related party than those generally available to the public;
  - (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where:
    - (i) the consideration, value of the assets, capital outlay or costs of the Recurrent Related Party Transactions is RM1 million or more; or
    - (ii) the percentage ratio of such Recurrent Related Party Transaction is 1% or more,whichever is the higher.
  - (c) the circular to shareholders for the shareholders' mandate includes the information as may be prescribed by Bursa Securities;
  - (d) in a meeting to obtain the shareholders' mandate, the interested Director(s), interested Major Shareholder(s) or interested person(s) connected with a Director or Major Shareholder and where it involves the interest of an interested person connected with a Director or Major Shareholder, such Director or Major Shareholder, must not vote on the resolution to approve the transactions. An interested Director or interested Major Shareholder must ensure that person(s) connected with him abstain from voting on the resolution approving the transactions; and
  - (e) the Company immediately announces to Bursa Securities when the actual value of a Recurrent Related Party Transaction entered into by the Sime Darby Group exceeds the estimated value of the Recurrent Related Party Transaction disclosed in this Circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.
- (ii) Where the Company has procured a shareholder mandate pursuant to the above, the provisions of paragraph 10.08 of the Listing Requirements will not apply with regard to transactions as detailed in Section 2.3 of this Circular.

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

whichever is the earlier.

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

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

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

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

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

## **2.2 Principal activities of the Sime Darby Group**

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

The Group's subsidiaries, joint ventures and associates are primarily involved in the trading (industrial and motors) and healthcare businesses.



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

<b>Subsidiaries of Sime Darby</b>	<b>Sime Darby's Effective Equity Interest</b>	<b>Principal Activities</b>
Hastings Deering (PNG) Limited ("HDPNG")	100.00%	Sale of equipment and spare parts and service support for the Caterpillar business
Hastings Deering (Solomon Islands) Limited ("HDSI")	100.00%	Sale of equipment and spare parts and service support for the Caterpillar business
Inokom Corporation Sdn Bhd ("Inokom")	53.55%	Manufacture and assembly of light commercial and passenger vehicles, and contract assembly of motor vehicles
Kumpulan Sime Darby Berhad ("KSDB")	100.00%	Property investment
Sime Darby Auto ConneXion Sdn Bhd ("SDAC")	100.00%	Distribution and retail of motor vehicles, spare parts and accessories and provision of after-sales services
Sime Darby Industrial Sdn Bhd ("SDI")	100.00%	Sale of equipment and spare parts and service support for Caterpillar business, other material handling equipment and industrial cleaners, and supply and installation of co-generation systems
Sime Darby Malaysia Berhad ("SDMB")	100.00%	Holding of trademarks
Sime Darby Rent-A-Car Sdn Bhd ("SDRAC")	100.00%	Hiring of vehicles to the general public and sourcing, purchasing and supplying of vehicles

The rest of this page has been intentionally left blank

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

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

(i) Existing Shareholders' Mandate

The details of the Recurrent Related Party Transactions involving the interest of common major shareholder, ASB, in respect of which our Company is seeking renewal of shareholders' mandate as contemplated under the Proposed Shareholders' Mandate are as follows:

No.	Transacting Company in our Group	Transacting Party	Nature of Transaction	Interested Related Party	Estimated Aggregated Value from 15 November 2022 (date of the last AGM) to 16 November 2023 <sup>1</sup> (RM million)	Actual Value Transacted from 15 November 2022 to the LPD <sup>2</sup> (RM million)	Estimated Aggregated Value from the forthcoming AGM on 16 November 2023 to the next AGM <sup>3</sup> (RM million)
<b>Transactions with Sime Darby Plantation Berhad ("SD Plantation") and its subsidiaries</b>							
1.	KSDB	SD Plantation	Leaseback of the Malaysia Vision Valley Land from KSDB to SD Plantation for the SD Plantation Group to carry out the planting/ replanting, maintenance of oil palm, and the harvesting and selling of fresh fruit bunches <sup>#</sup>	ASB <sup>4</sup>	25	11	25
2.	SDMB	SD Plantation	Grant of a non-exclusive, non-assignable and non-transferable licence to use the "SIME DARBY" mark, Sime Darby Shield Device Logo, Shield Device Logo, Sime Darby in Chinese Characters, the "DEVELOPING SUSTAINABLE FUTURES" tagline and the "DELIVERING SUSTAINABLE FUTURES" tagline worldwide, solely in the course of or in connection with SD Plantation's business		2	2	2
3.	SDRAC	SD Plantation and its subsidiaries	Car rental service income		2	*	2
4.	SDAC	SD Plantation and its subsidiaries	Sale of motor vehicles, parts and services		3	1	3
5.	<ul style="list-style-type: none"> <li>• SDI</li> <li>• HDPNG</li> <li>• HDSI</li> </ul>	SD Plantation and its subsidiaries	Sale of heavy equipment and spare parts and provision of maintenance services		50	15	50
				Total	82	29	82

Note : \* Less than RM0.5 million.

(ii) Existing Shareholders' Mandate

The details of the Recurrent Related Party Transactions involving the interest of Bermaz in respect of which our Company is seeking renewal of shareholders' mandate as contemplated under the Proposed Shareholders' Mandate are as follows:

No.	Transacting Company in our Group	Transacting Party	Nature of Transaction	Interested Related Party	Estimated Aggregated Value from 15 November 2022 (date of the last AGM) to 16 November 2023 <sup>1</sup> (RM million)	Actual Value Transacted from 15 November 2022 to the LPD <sup>2</sup> (RM million)	Estimated Aggregated Value from the forthcoming AGM on 16 November 2023 to the next AGM <sup>3</sup> (RM million)
<b>Others</b>							
1.	Inokom	Mazda Malaysia Sdn Bhd ("Mazda Malaysia")	<ul style="list-style-type: none"> <li>▪ Rental income received from Mazda Malaysia<sup>4</sup></li> <li>▪ Contract manufacturing assembly fees received from Mazda Malaysia</li> </ul>	Bermaz <sup>5</sup>	3  160	2  104	3  160
		Bermaz Motor Trading Sdn Bhd ("Bermaz Motor Trading")	Rental income received from Bermaz Motor Trading*		2	1	2
		Kia Malaysia Sdn Bhd ("Kia Malaysia")	Contract manufacturing assembly fees received from Kia Malaysia		55	9	60
Total					220	116	225

(iii) New Shareholders' Mandate

The details of the Recurrent Related Party Transactions involving the interest of Bermaz in respect of which our Company is seeking new shareholders' mandate as contemplated under the Proposed Shareholders' Mandate are as follows:

No.	Transacting Company in our Group	Transacting Party	Nature of Transaction	Interested Related Party	Estimated Aggregated Value from the Forthcoming AGM on 16 November 2023 to the next AGM <sup>3</sup> (RM million)
1.	Inokom	Dinamikjaya Motors Sdn Bhd ("Dinamikjaya Motors")	Rental income received from Dinamikjaya Motors <sup>®</sup>	Bermaz <sup>5</sup>	1
Total					1

Notes:

- <sup>1</sup> The Estimated Aggregate Value as disclosed in the preceding year's Circular to Shareholders dated 17 October 2022.
- <sup>2</sup> The Actual Value transacted has not exceeded the Estimated Aggregate Value of the Existing Shareholders' Mandate by 10% or more.
- <sup>3</sup> Due to the nature of the transactions, the actual value of the transactions may vary and are subject to change from the Estimated Aggregate Values disclosed above.
- <sup>4</sup> ASB is a Major Shareholder of Sime Darby, holding 37.73% direct equity interest in Sime Darby as at the LPD. ASB is also a Major Shareholder of SD Plantation, holding 45.89% direct equity interest in SD Plantation as at the LPD.

<sup>5</sup> Bermaz is a Major Shareholder of Inokom, holding 29.00% direct equity interest in Inokom and an indirect Major Shareholder of Mazda Malaysia, holding an effective interest of 30.00% through Bermaz Motor Sdn Bhd, a direct wholly-owned subsidiary of Bermaz. Bermaz Motor Trading is an indirect wholly-owned subsidiary of Bermaz while Dinamikjaya Motors is a 65%-owned subsidiary of Bermaz. Bermaz is also a Major Shareholder of Kia Malaysia, holding 33.33% equity interest in Kia Malaysia. Bermaz does not hold any shares in Sime Darby as at the LPD.

<sup>^</sup> Lands held under H.S. (D) 4103, PT No 439 and H.S. (D) 4104, PT No 440, Mukim Padang Meha, Kulim, Kedah bearing postal address at Lot 38, Mukim Padang Meha, 09400 Padang Serai, Kulim, Kedah. The duration of the rental agreements are seven years (ending December 2028) and 37 months (ending April 2024) respectively. The payment is made on a monthly basis.

<sup>\*</sup> Designated areas at Inokom's property at Lot 38, Mukim Padang Meha, 09400 Padang Serai, Kulim, Kedah. The duration of the rental is three years (ending September 2024). The payment is made on a monthly basis.

<sup>@</sup> Designated areas at Inokom's property at Lot 38, Mukim Padang Meha, 09400 Padang Serai, Kulim, Kedah. The duration of the rental is three years (ending May 2025) and extendable for another 3 years. The payment is made on a monthly basis.

<sup>#</sup> Location : The Malaysia Vision Valley Land in Labu, Negeri Sembilan.  
 Term : Three years ending 29 June 2026.  
 Rental Formula : The preceding month's average price of crude palm oil (CPO) per metric tonne for Malaysia x total planted area (in hectares)/12. Average price of CPO refers to average Malaysian Palm Oil Board delivered CPO price.  
 Payment Term : Monthly basis on or before the seventh (7<sup>th</sup>) day of each calendar month.

## 2.4 Outstanding amount due under the Recurrent Related Party Transactions

The breakdown of the principal sum (without interest) of the total outstanding amount due to the Sime Darby Group under the Recurrent Related Party Transactions which exceeded the credit term as at 30 June 2023 are as follows:

Related Party	Nature of Transactions	Outstanding Amount (RM million)	
		1 year or less	1-3 years
SD Plantation	Sale of equipment, parts and services	3.4	0.4
SD Plantation	Car rental income	0.1	-
SD Plantation	Sale of motor vehicles, parts and services	0.2	-
<b>Total</b>		<b>3.7</b>	<b>0.4</b>

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

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

## 2.5 Review of procedures on Recurrent Related Party Transactions

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

- (i) A list of Related Parties shall be circulated to the operating divisions and subsidiaries, updated on a quarterly basis, for their reference in ensuring that all transactions with such Related Parties are undertaken on arm's length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public. These include transacting at the prevailing market rates/prices of the service or product provider's usual commercial terms (including, where appropriate, preferential rates and discounts accorded for bulk purchases which are the same as those accorded for third-party bulk purchases), or otherwise in accordance with applicable industry norms. Other criteria to be taken into consideration include quality of the products and services, track record, experience, financial position of the supplier or vendor, speed of delivery and certification.
- (ii) The corporate assurance plan incorporates a review of the Recurrent Related Party Transactions entered into as well as Management's systems and procedures to capture and compile information on such transactions on annual basis.
- (iii) Any member of the GAC may, as he/she deems fit, request for additional information pertaining to Recurrent Related Party Transactions from independent sources or advisers.
- (iv) Details of the Recurrent Related Party Transactions made during the financial year shall be submitted to the Group Finance Department annually for disclosure in the Company's Annual Report.
- (v) All divisions and subsidiaries are required to comply with the Sime Darby Group Policies and Authorities ("GPA"). The GPA establish the minimum standards of corporate governance practices expected of the companies within the Sime Darby Group in pursuit of Sime Darby's corporate objectives. The GPA covering the following areas have relevance in respect of Related Party Transactions which are also applicable to Recurrent Related Party Transactions:
  - (a) Limits of Authority is part of GPA to govern the processes surrounding Related Party Transactions and Recurrent Related Party Transactions in ensuring that the transactions are executed in an arm's length manner. For any transaction where the limit authority holder has an interest, the holder does not have the authority to enter into such transactions.
  - (b) policies on conflicts of interest which require Directors and employees to act in good faith at all times in the best interest of the companies within the Group.
  - (c) the requirement for the corporate assurance team to review the internal control systems of the Group so as to reasonably provide assurance to the Board, the GAC and Management of the proper conduct and adherence to controls and procedures.
  - (d) policies on Directors' and persons connected with Directors' purchases of the Group's products which should not be on terms that are more favourable than those offered to employees and the public. Directors are required to notify the relevant Company Secretary of any direct sales to them and/or persons connected with them.
  - (e) tendering procedures to ensure that competitive bidding principles are observed in the procurement of goods and services. These include the setting up of tender committees, and having a sufficient number of vendors (normally not less than three (3)) to bid where all priced bids received are on a sealed basis and are appropriately documented as well as witnessed upon opening.

- (vi) Where a Director has an interest (direct or indirect) in any Recurrent Related Party Transaction, such Director shall abstain from deliberation and voting on any decision to be taken by the Board in respect of such Recurrent Related Party Transaction, if any, and ensure that persons connected with him also abstain from voting in respect of the resolution on Recurrent Related Party Transaction at the general meeting. Where any member of the GAC has interest in any Recurrent Related Party Transaction, that member shall abstain from deliberation and voting on any decision to be taken by the GAC in respect of such transaction. Directors' disclosures on purchases of Group's products are tabled at the Board meetings of the Company.
- (vii) At least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, where possible, to determine whether the price and terms offered to/by the Related Party are fair and reasonable and comparable to those offered to/by the public for the same or substantially similar type of products/services and/or quantities. In the event that quotation or comparative price from unrelated third parties cannot be obtained (for example, if there are no unrelated third party vendors/customers of similar products or services, or if the products or services is a proprietary item), the transaction price will be determined by price negotiation with the Related Party based on those offered by other unrelated parties for substantially similar type of transactions where available to ensure that the Recurrent Related Party Transaction is not detrimental to the Sime Darby Group.
- (viii) The operating divisions and subsidiaries shall inform the Divisional Chief Financial Officer and Company Secretary, by completing the Related Party Transaction Disclosure Form, as and when Recurrent Related Party Transactions exceed the Group's threshold of RM169 million (i.e. 1% of the Net Assets of Sime Darby as at 30 June 2023) and which a shareholders' mandate has not been obtained or has exceeded the shareholders' mandate by 10% or more. An announcement shall be made to Bursa Securities upon occurrence of these events.
- (ix) A register of all Recurrent Related Party Transactions entered into pursuant to the Proposed Shareholders' Mandate is maintained by the transacted company.
- (x) Details of Recurrent Related Party Transactions made during each quarter and the cumulative amount shall be tabled by Group Finance Department to the GAC every quarter for its consideration and information.
- (xi) There are no specific thresholds for approval of Recurrent Related Party Transactions within the Group. However, all Recurrent Related Party Transactions are subject to the approval of the appropriate levels of authority set by the operating divisions.

## **2.6 Statement by the GAC**

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

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

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

- Thayaparan Sangarapillai (*Chairman/Senior Independent Non-Executive Director*)
- Tan Sri Muhammad Shahrul Ikram Yaakob (*Independent Non-Executive Director*)
- Scott William Cameron (*Independent Non-Executive Director*)
- Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz (*Independent Non-Executive Director*)

### **3. RATIONALE AND BENEFITS OF THE PROPOSED SHAREHOLDERS' MANDATE**

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

- (i) To facilitate transactions with Related Parties which are in the ordinary course of business of the Group, undertaken on arms' length basis, fair, reasonable and on normal commercial terms and on terms which are not more favourable to the Related Parties than those generally available to the public, and are not detrimental to the interests of the minority shareholders.
- (ii) To meet the business needs of the Group on the best possible terms as well as to explore beneficial business opportunities within the Group and with its joint-venture partners. The Group has had long-standing business relationships with the Related Parties and the close co-operation has reaped mutual benefits which are expected to continue to be beneficial to the business of the Group.
- (iii) The necessity to make frequent announcements to Bursa Securities and to convene separate general meetings from time to time to seek shareholders' approval as and when such Recurrent Related Party Transactions occur as required under the Listing Requirements will not arise. This will substantially reduce administrative time and expenses associated with the making of announcements or the convening of such meetings on an ad-hoc basis, without compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group.

### **4. EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE**

The Proposed Shareholders' Mandate will not have any effect on the share capital, substantial shareholders' shareholdings, net assets per share, gearing, or EPS of Sime Darby for the financial year ending 30 June 2024.

### **5. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED WITH THEM**

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

Tan Sri Samsudin Osman, Dato' Lee Cheow Hock Lawrence and Encik Mohamad Idros Mosin, being nominee Directors of PNB, a person connected with ASB, on the Board of Sime Darby, have abstained and will continue to abstain from all Board deliberations and voting on the Proposed Shareholders' Mandate involving the interest of ASB. They will also abstain from voting at the forthcoming Seventeenth AGM of Sime Darby on the ordinary resolution pertaining to the Proposed Shareholders' Mandate involving the interest of ASB in respect of their direct or indirect shareholdings in Sime Darby, if any and have also undertaken to ensure that Persons Connected with them will abstain from voting at the forthcoming Seventeenth AGM of Sime Darby on the ordinary resolution pertaining to the Proposed Shareholders' Mandate involving the interest of ASB in respect of their direct and indirect shareholdings in Sime Darby, if any. As at the LPD, none of the nominee Directors have any direct or indirect interest in Sime Darby.

ASB, being the interested Major Shareholder of the Company and PNB, being the interested Person Connected with Major Shareholder in the Proposed Shareholders' Mandate involving the interest of ASB, will abstain from voting at the forthcoming Seventeenth AGM of Sime Darby on the ordinary resolution pertaining to the Proposed Shareholders' Mandate involving the interest of ASB in respect of their direct or indirect shareholdings in Sime Darby. ASB has also undertaken to ensure that its Persons Connected will abstain from voting at the forthcoming Seventeenth AGM of Sime Darby on the ordinary resolution pertaining to the Proposed Shareholders' Mandate involving the interest of ASB in respect of their direct and indirect shareholdings in Sime Darby, if any.

Bermaz, being the interested Major Shareholder in the Proposed Shareholders' Mandate involving the interest of Bermaz, has undertaken to abstain from voting at the forthcoming Seventeenth AGM of Sime Darby on the ordinary resolution pertaining to the Proposed Shareholders' Mandate involving the interest of Bermaz, in respect of its interest, through either direct or indirect shareholdings in Sime Darby, if any. Bermaz has also undertaken to ensure that its Persons Connected will abstain from voting at the forthcoming Seventeenth AGM of Sime Darby on the ordinary resolution pertaining to the Proposed Shareholders' Mandate involving the interest of Bermaz in respect of their interest, through any direct and indirect shareholdings in Sime Darby.

## **6. APPROVAL REQUIRED**

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

## **7. DIRECTORS' RECOMMENDATION**

Having considered all aspects of the Proposed Shareholders' Mandate, our Directors (save for Tan Sri Samsudin Osman, Dato' Lee Cheow Hock Lawrence and Encik Mohamad Idros Mosin who have abstained from expressing an opinion) are of the opinion that the Recurrent Related Party Transactions as stated in Section 2.3 (i) of this Circular are in the best interest of the Company and its shareholders and not to the detriment of the minority shareholders of the Company.

Further, our Directors are of the opinion that the Recurrent Related Party Transactions as stated in Sections 2.3 (ii) and (iii) of this Circular are in the best interest of the Company and its shareholders and not to the detriment of the minority shareholders of the Company.

Accordingly, they recommend that you vote in favour of the ordinary resolutions pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming Seventeenth AGM.

## **8. AGM**

The Seventeenth AGM of the 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 Thursday, 16 November 2023 at 10.00 a.m. and any adjournment thereof for the purpose of considering and, if thought fit, approving, inter alia, the ordinary resolutions on the Proposed Shareholders' Mandate, as Special Business.



**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 SAMSUDIN OSMAN**  
Chairman

## FURTHER INFORMATION

1. **RESPONSIBILITY STATEMENT**

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

2. **MATERIAL CONTRACTS**

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

- (i) On 27 October 2021, Kumpulan Sime Darby Berhad, an indirect wholly-owned subsidiary of Sime Darby, entered into a Sale and Purchase Agreement with Sime Darby Property (MVV Central) Sdn Bhd, a wholly-owned subsidiary of Sime Darby Property Berhad, for the disposal of 760.12 acres of land located in the Malaysia Vision Valley area in Labu, Negeri Sembilan for a cash consideration of RM280 million. The disposal was completed on 7 August 2023.
- (ii) On 3 July 2022, Sime Darby Overseas (HK) Limited, an indirect wholly-owned subsidiary of Sime Darby, entered into 7 share sale agreements with SPG Bohaiwan Port Group Company Limited to divest its entire equity interest (direct and indirect) held in the following entities for a total cash consideration of RMB1,920 million (equivalent to approximately RM1,233 million) ("Proposed Disposals"):

	<b>Entities</b>	<b>Effective equity interest subject to the Proposed Disposals</b>
1.	Weifang Sime Darby Port Co., Ltd	99.0%
2.	Weifang Sime Darty Logistics Services Co., Ltd	100.0%
3.	Weifang Sime Darby General Terminal Co., Ltd	99.9%
4.	Weifang Wei Gang Tugboat Services Co., Ltd	99.5%
5.	Weifang Sime Darby Liquid Terminal Co., Ltd	50.0%
6.	Weifang Sime Darby West Port Co., Ltd	50.0%
7.	Weifang Senda Container Service Provider Co., Ltd	50.0%
8.	Weifang Ocean Shipping Tally Co., Ltd	39.6%

The Proposed Disposals were completed on 7 November 2022.

- (iii) On 24 August 2022, Kumpulan Sime Darby Berhad, an indirect wholly-owned subsidiary of Sime Darby, entered into a sale and purchase agreement with NS Corporation for the disposal of 1,382.2 acres of land located in the Malaysia Vision Valley area in Labu, Negeri Sembilan for a cash consideration of RM460 million.
- (iv) On 23 September 2022, Kumpulan Sime Darby Berhad, an indirect wholly-owned subsidiary of Sime Darby, entered into a sale and purchase agreement with NS Corporation for the disposal of approximately 1,281.8 acres of land located in the Malaysia Vision Valley area in Labu, Negeri Sembilan for a cash consideration of RM445 million.

FURTHER INFORMATION (*Continued*)

- (v) On 1 March 2023, Sime Darby Allied Operations Pty Ltd, an indirect wholly-owned subsidiary of Sime Darby, entered into a share sale agreement with various persons and entities to acquire the entire issued share capital of Onsite Rental Group Limited for a cash consideration of AUD635.0 million (RM1,924.0 million). The acquisition was completed on 3 April 2023.
- (vi) On 2 June 2023, Sime Darby, Sime Darby Plantation Berhad, Sime Darby Property Berhad entered into a donation agreement with Yayasan Sime Darby (“YSD”) for the donation by Sime Darby to YSD up to 3% of Profit After Tax and Minority Interest of the Sime Darby Group subject to a minimum donation of RM5 million and a maximum donation of RM30 million per annum, for a term of four (4) years commencing 2 June 2023 in accordance with the terms and conditions as set out in the donation agreement, to support and promote the activities carried out by YSD under YSD’s pillars to further the charitable intent established by the governing council of YSD.
- (vii) On 14 August 2023, Sime Darby Industrial Machinery Australasia Pty Ltd, an indirect wholly-owned subsidiary of Sime Darby, entered into a share sale agreement to acquire the entire share capital of Kuxton Pty Limited and 98.9% share capital of Kagera Pty Limited for a cash consideration of AUD500.0 million (RM1,515.0 million), on a cash-free and debt-free basis and subject to customary adjustments for working capital, capital expenditure and stocktake.
- (viii) On 24 August 2023, Sime Darby Enterprise Sdn Bhd (“SDESB”) (as the purchaser) and Sime Darby Holdings Berhad (as the warrantor), both wholly-owned subsidiaries of Sime Darby, entered into a conditional share purchase agreement with Permodalan Nasional Berhad and Amanahraya Trustees Berhad to acquire approximately 61.18% equity interest in UMW Holdings Berhad (“UMW”) for a total cash consideration of RM3,574,065,500 (“SPA”) (“Proposed Acquisition”). Upon completion of the Proposed Acquisition, SDESB’s shareholdings in UMW will increase from nil to 61.18%. Accordingly, on the date the SPA becomes unconditional, SDESB will be obliged to extend a mandatory take-over offer to acquire all the remaining UMW Shares not already owned by SDESB, Sime Darby and persons acting in concert with them pursuant to Section 218(2) of the Capital Markets and Services Act, 2007 and Paragraph 4.01(a) of the Rules on Take-overs, Mergers and Compulsory Acquisitions.

### 3. MATERIAL LITIGATION

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

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

On 23 December 2010, Sime Darby Berhad and four subsidiaries (collectively, “the Plaintiffs”) filed a civil suit against Dato’ Seri Ahmad Zubair @ Ahmad Zubir Hj Murshid, Dato’ Mohamad Shukri Baharom, Abdul Rahim Ismail, Abdul Kadir Alias and Mohd Zaki Othman (collectively, “the Defendants”) for damages arising from the Defendants’ negligence and breaches of duty relating to the QP Project, the MOQ Project and the project relating to the construction of a derrick lay barge for an aggregate amount of RM93 million and USD79 million (approximately RM370 million) together with general and aggravated damages and other relief.

FURTHER INFORMATION (*Continued*)

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

The Plaintiffs have filed a Notice of Application for directions to assess damages.

The hearing for the assessment of damages is ongoing. The next hearing date is tentatively fixed on 1 December 2023.

Counsel is of the view that as the Defendants have consented to judgement in respect of liability, the only outstanding matter would be the assessment of damages to ascertain the actual losses suffered by the Plaintiffs which would largely depend on the documents available and the evidence given to establish such losses. Both under the applicable principles of law and by the terms of the Consent Judgement itself, the damages recoverable by the Plaintiffs during enforcement of the final judgement (obtained after the assessment of damages) will also have to exclude all amounts recovered from the respective employers for the QP and MOQ Projects and the proceeds of the sale of the derrick lay barge in regards of the Marine Project within the time frame stipulated.

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

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

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

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

Counsel is of the view that as the Defendants have consented to judgement in respect of liability, the only outstanding matter would be the assessment of damages to ascertain the actual losses suffered by the Plaintiffs which would largely depend on the documents available and the evidence given to establish such losses. Both under the applicable principles of law and by the terms of the Consent Judgment itself, the damages recoverable by the Plaintiffs during enforcement of the final judgment (obtained after the assessment of damages) will also have to exclude all amounts recovered from Sarawak Hidro Sdn Bhd and/or the Ministry of Finance in relation to the Bakun Project within the time frame stipulated.

FURTHER INFORMATION (*Continued*)(iii) **B-193 Process Platform Project (“PP Project”)**

Sime Darby Engineering Sdn Bhd (“SDE”) and Swiber Offshore Construction Pte Ltd (“SOC”) entered into a Consortium Agreement to govern their relationship as a consortium (“the Consortium”) to undertake works relating to the PP Project awarded by Oil and Natural Gas Corporation Ltd (“ONGC”). A contract dated 3 July 2010 was executed for a total contract price of USD618 million (approximately RM2.896 billion).

Disputes have arisen between the Consortium and ONGC and on 1 June 2016, the Consortium initiated arbitration proceedings against ONGC. SDE’s portion of the Consortium’s claim is circa USD76 million (approximately RM356 million).

On 22 March 2018, the tribunal ordered ONGC to pay the Consortium a net sum of USD5.12 million (approximately RM24 million), together with interest at 14% per annum, as full and final settlement of all claims. On 27 March 2018, ONGC filed an application at the High Court in Mumbai, India to set aside the arbitration award.

On 16 October 2020, SDE and Swiber filed enforcement proceedings against ONGC to seek recovery of the arbitration award. The warrant of attachment for movable properties was issued by the Court. On 19 April 2021, ONGC deposited a sum of INR447 million (approximately RM25 million) to the Court, which includes interest at 14% on the principal sum awarded, from the period of 22 March 2018 to 25 August 2020.

As a result of the sum deposited by ONGC, the award rendered by the arbitral tribunal has been stayed until the Court hears ONGC’s application to set aside the arbitration award. The hearing for the setting aside application has been fixed for 31 October 2023.

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

**4. DOCUMENTS FOR INSPECTION**

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

- (i) the Constitution of the Company;
- (ii) the audited consolidated financial statements of the Sime Darby Group for the past two (2) financial years ended 30 June 2022 and 30 June 2023;
- (iii) the material contracts referred to in Section 2 of this Appendix I; and
- (iv) the relevant cause papers in respect of material litigation referred to in Section 3 of this Appendix I.

EXTRACT OF THE NOTICE OF THE SEVENTEENTH AGM

---

## AS SPECIAL BUSINESS

**RESOLUTION 9**

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

**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 the Circular to Shareholders dated 18 October 2023, 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."

EXTRACT OF THE NOTICE OF THE SEVENTEENTH AGM (*Continued*)**RESOLUTION 10**

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

**Proposed Renewal of Existing Shareholders' Mandate and Proposed New 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 the Circular to Shareholders dated 18 October 2023, 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."