

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

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

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**DAMANSARA REALTY BERHAD**  
(Company No. 4030-D)  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE:**

**PART A**

- I. PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR THE EXISTING RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE); AND**
- II. PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (PROPOSED NEW SHAREHOLDERS' MANDATE)**

**(COLLECTIVELY REFERRED AS PROPOSED SHAREHOLDERS' MANDATE)**

**PART B**

**PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY**

The 57th Annual General Meeting (**AGM**) of Damansara Realty Berhad (DBhd or the Company), which has been scheduled to be held at **Kingfisher 1, Level 3, Fraser Place Puteri Harbour Residensi & Hotel Marina, Persiaran Tanjung, Pengkalan Puteri, 79100 Iskandar Puteri, Johor Darul Takzim** on **Wednesday, 19 June 2019** at **11.00 a.m** as set out in the Notice of AGM (under Special Business) in the 2018's Annual Report together with this Circular.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his behalf. The Form of Proxy should be lodged at the Registered Office of the Company not less than 48 hours before the time stipulated for holding the meeting. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

## DEFINITIONS

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Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

Act	: The Malaysian Companies Act, 2016 as amended from time to time and any re-enactment thereof
AGM	: Annual General Meeting
Annual Report 2018	: Annual Report for the financial year ended 31 December 2018
Astaka Padu Group	: Astaka Padu Sdn. Bhd. (Company No. 266865-X), its subsidiaries and associated companies
Board	: The Board of Directors of DBhd
Bursa Securities	: Bursa Malaysia Securities Berhad (Company No. 635998-W)
Circular	: This Circular to the Shareholders of the Company dated 30 April 2019
CMSA	: Capital Markets and Services Act 2007, as amended from time to time and any re-enactment thereof
Constitution	: The Constitution of DBhd
DBhd Group or the Group	: DBhd, its subsidiaries and associated companies
DBhd or the Company	: Damansara Realty Berhad (Company No. 4030-D)
Director(s)	: Director(s) shall have the meaning given in Section 2(1) of the CMSA and 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 a Chief Executive Officer of DBhd or any other company which is a subsidiary of DBhd or a holding company of DBhd
DPMC	: Damansara PMC Services Sdn. Bhd. (13630-W), a wholly-owned subsidiary of the Company
DPMC Group	: DPMC, its subsidiaries and associated companies
EGM	: Extraordinary General Meeting
EPS	: Earnings Per Share
HCD	: HC Duraclean Sdn. Bhd. (438397-D), a subsidiary of the Company
HTS	: Healthcare Technical Services Sdn. Bhd. (Company No. 342111-A), a subsidiary of Johor Corporation
JCorp	: Johor Corporation, incorporated in Malaysia, a body corporate established under the Johor Corporation Enactment (No. 4 of 1968) (as amended by Enactment No. 5 of 1995)
JCorp Group	: JCorp, its subsidiaries and associated companies
KPJ	: KPJ Healthcare Berhad (Company No. 247079-M), an associate company of JCorp
Listing Requirements	: Main Market Listing Requirements of Bursa Securities and any amendments made thereto from time to time
LPD	: 18 March 2019, being the latest practicable date prior to the printing of the Circular

Major Shareholder	: A person who has an interest or interests in one (1) or more voting shares in DBhd and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is:
	(a) equal to or more than 10% of the aggregate of the nominal amounts of all the voting shares in DBhd; or
	(b) equal to or more than 5% of the aggregate of the nominal amounts of all the voting shares in DBhd where such person is the largest shareholder of DBhd
	This 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 major shareholder of DBhd as defined above or any other company which is a subsidiary of DBhd or DBhd's holding company, in accordance to the definition as provided in Chapter 10 of the Listing Requirements. For the purpose of this definition, "interest in shares" shall have the meaning given in Section 6A of the Act.
MPM	: Metro Parking (M) Sdn. Bhd. (213264–U), a wholly-owned subsidiary of the Company
NA	: Net Assets
Percentage Ratios	: The percentage ratios as defined in paragraph 10.02 of the Listing Requirements
Proposed Amendments	: The Proposed Amendments to the Constitution of the Company
Proposed Shareholders' Mandate	: Collectively, the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate in respect of the Recurrent Related Party Transaction(s)
Recurrent Related Party Transaction(s) or RRPT	: Related party transaction which is recurrent, of a revenue or trading nature and which is necessary for day-to-day operations of a listed issuer or its subsidiaries
Related Party(ies)	: A Director, Major Shareholder or person connected with such Director or Major Shareholder (as defined under Section 1.01 of the Listing Requirements)
RM and sen	: Ringgit Malaysia and sen respectively
Shareholders' Mandate	: Shareholders' Mandate pursuant to paragraph 10.09 of the Listing Requirements for DBhd and its subsidiaries to enter into Recurrent Related Party Transactions
TMR	: TMR Urusharta (M) Sdn. Bhd. (417394–T), a wholly-owned subsidiary of the Company

In this Circular, unless there is something in the subject or context inconsistent herewith, the singular includes the plural and references to a gender include both genders and the neuter. Reference to persons shall include corporations. Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated.

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**PART A**

- I. PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR THE EXISTING RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE); AND**
- II. PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (PROPOSED NEW SHAREHOLDERS' MANDATE)**

**(COLLECTIVELY REFERRED AS PROPOSED SHAREHOLDERS' MANDATE)**



**DAMANSARA**  
REALTY BERHAD (4030-D)

**DAMANSARA REALTY BERHAD**  
(Company No. 4030-D)  
(Incorporated in Malaysia)

**Registered Office:**

Lot 10.3, Level 10  
Wisma Chase Perdana  
Off Jalan Semantan  
Damansara Heights  
50490 Kuala Lumpur

30 April 2019

**Board of Directors:**

**Dato' Ahmad Zahri bin Jamil**

*(Independent Non-Executive Chairman)*

**Ts. Brian Iskandar bin Zulkarim**

*(Group Managing Director)*

**Azhari bin Abdul Hamid**

*(Group Executive Director)*

**Dato' Mohd Aisom bin Omar**

*(Independent Non-Executive Director)*

**Shahrizam bin A Shukor**

*(Independent Non-Executive Director)*

**Haji Abdullah bin Md. Yusof**

*(Independent Non-Executive Director)*

**Vinie Chong Pui Ling**

*(Independent Non-Executive Director)*

To: The shareholders of Damansara Realty Berhad

Dear Sir/Madam,

- I. PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR THE EXISTING RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE); AND**
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**(COLLECTIVELY REFERRED AS PROPOSED SHAREHOLDERS' MANDATE)**

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**1. INTRODUCTION**

The Company had on 27 June 2018, obtained a Shareholders' Mandate for 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 which are in the ordinary course of business and on terms that are not more favourable to the Related Parties than those generally available to the public.

The authority conferred by the Shareholders' Mandate in relation to the Recurrent Related Party Transactions of a Revenue or Trading Nature shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming AGM of the Company unless by a resolution passed at the meeting the authority is renewed.

In relation thereto, the Board of Directors of DBhd on 19 March 2019 announced its intention to seek its shareholders' approval for the Proposed Renewal of Shareholders' Mandate. The Board also seeks the shareholders' approval on the Proposed New Shareholders' Mandate with regard to the additional Recurrent Related Party Transactions.

The purpose of this Circular is to provide you with the relevant information on the above Proposals and to seek your approval for the resolutions pertaining to the above Proposals to be tabled at the forthcoming AGM.

The Notice of the 57th AGM and the Proxy Form as enclosed in the Abridged Annual Report 2018 were dispatched on 30 April 2019. A copy of Notice of the 57th AGM and the Proxy Form can also be downloaded from the corporate website at [www.dbhd.com.my](http://www.dbhd.com.my).

**SHAREHOLDERS OF DBHD ARE ADVISED TO READ THIS CIRCULAR CAREFULLY BEFORE VOTING ON THE RESOLUTIONS TO GIVE EFFECT TO THE PROPOSALS.**

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

**2.1 Background of the Recurrent Related Party Transactions**

The DBhd Group is principally involved in properties and lands development, integrated facilities management and project management consultancy services. DBhd, an investment holding company, and its subsidiaries have from time to time, entered into various Recurrent Related Party Transactions which are necessary for the day-to-day operations of DBhd and its subsidiaries.

Paragraph 10.09 of the Listing Requirements provides that a listed issuer may seek a Shareholders' Mandate, subject to the following:

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (ii) 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 the aggregate value is equal to or more than the following thresholds in relation to a listed issuer with an issued and paid-up share capital of RM60 million and above:
  - (a) the consideration, value of the assets, capital outlay or costs of the Recurrent Related Party Transaction is RM1 million or more; or
  - (b) the percentage ratio of such Recurrent Related Party Transaction is 1% or more, whichever is the higher;
- (iii) the listed issuer's circular to shareholders for the shareholders' mandate includes the information as may be prescribed by the Exchange. The draft circular must be submitted to the Exchange together with a checklist showing compliance with such information;
- (iv) in a meeting to obtain shareholders' mandate, the relevant related party with any interest, direct or indirect, must not vote on the resolution to approve the transactions. An interested director or interested major shareholder must ensure that persons connected with them abstain from voting on the resolution approving the transactions; and
- (v) the listed issuer immediately announces to the Bursa Securities when the actual value of a Recurrent Related Party Transaction entered into by the listed issuer, exceeds the estimated value of the Recurrent Related Party Transaction disclosed in the circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

Where a listed issuer has procured a Shareholders' Mandate, the provisions of paragraph 10.08 of the Listing Requirements will not apply.

At the AGM held on 27 June 2018, the Company obtained the approval from its shareholders for a mandate to enable DBhd and/or its subsidiaries to enter into Recurrent Related Party Transactions, which were disclosed to shareholders, vide a circular dated 30 April 2018. The approval of the shareholders for the renewal of the Shareholders' Mandate on Recurrent Related Party Transactions expires at the conclusion of the Company's forthcoming AGM. The Board therefore proposes to seek a renewal of the Shareholders' Mandate from the shareholders of the Company to enable DBhd and/or its subsidiaries to enter into Recurrent Related Party Transactions without the need to make the required announcements or to convene EGMs in order to procure specific prior approval of shareholders. In addition, the Board has also proposed to seek a new Shareholders' Mandate for the additional Recurrent Related Party Transactions described herein.

## 2.2 Details of the Recurrent Related Party Transactions

### 2.2.1 Principal business activities of DBhd Group

DBhd Group is principally involved in properties and lands development, integrated facilities management and project management consultancy services. DBhd is primarily an investment holding company. The core activities of the subsidiary companies within DBhd Group are as follows:

a) Direct and Indirect Wholly-Owned Subsidiaries (100%)

No.	Company	Business Activities
1.	Damansara Realty (Johor) Sdn. Bhd.	Property Development
2.	Damansara PMC Services Sdn. Bhd.	Property and Land Development, Healthcare Facilities Consultancy Services and Human Capital Development and Training
3.	Damansara Realty (Terengganu) Sdn. Bhd.	Property Development
4.	Damansara Realty Construction Sdn. Bhd.	Manufacturing, Wholesaling and Trading of Pharmaceuticals Products
5.	Damansara Realty Land Sdn. Bhd.	Sand Extraction and Trading
6.	Damansara Realty Management Services Sdn. Bhd.	Management Services to Its Holding and Related Companies and General Insurance Business
7.	Damansara Realty Properties Sdn. Bhd.	Property Development and Construction Works
8.	Damansara Urban Sdn. Bhd.	General Trading
9.	Damansara Technology Sdn. Bhd. (Formerly known as Damansara Forest Products (Malaysia) Sdn. Bhd.)	Business and Technology Solutions Provider
10.	Damansara Galaxy Sdn. Bhd.	Management Services
11.	Damansara Realty Management (Timber Operations) Sdn. Bhd.	Timber Operations and Its Related Activities
12.	DAC Land Sdn. Bhd.	Investment Holding Company and Property Development
13.	JOLS Construction Sdn. Bhd.	Construction, Refurbishment, Electrical Inspection and Sanitisation Services
14.	Damansara Prospects Sdn. Bhd. (Formerly known as Kesang Leasing Sdn. Bhd.)	Leasing Hire Purchase and Loan Financing
15.	Kesang Properties Sdn. Bhd.	Property Development



No.	Company	Business Activities
16.	Kesang Trading Sdn. Bhd.	Property Development and Trading of Office Equipment
17.	Metro Parking (M) Sdn. Bhd.	Parking Operator and Consultancy Services
18.	Metro Parking (Sabah) Sdn. Bhd.	Supplying and Maintaining Car Park Equipment
19.	Tebing Aur Sdn. Bhd.	Construction and Project Management
20.	TMR Urusharta (M) Sdn. Bhd.	Business of Real Estate Services, General Services, Facility Management, Project Consultant and Project Management
21.	TMR ACMV Services Sdn. Bhd.	Trading and Servicing of Air-Conditioning Products
22.	TMR Koll Sdn. Bhd.	Engineering Consultancy Services Provider
23.	Harta Facilities Management Sdn. Bhd.	Providing Facilities Management and Consultancy Services
24.	M.N. Koll (M) Sdn. Bhd.	Building Management and Maintenance Services for Real Estate Industry and Other Ancillary Business
25.	Kesang Construction & Engineering Sdn. Bhd.	General Contracting
26.	Kesang Equipment Hire Sdn. Bhd.	Buying, Selling and Renting of Machinery
27.	Smart Parking Management Systems Sdn. Bhd.	Supplying and Maintaining Car Park Equipment
28.	Kesang Industries Sdn. Bhd. (Under Members' Voluntarily Liquidation)	Investment Holding
29.	Metro Equipment Systems (M) Sdn. Bhd. (Under Members' Voluntarily Liquidation)	Supplying and Maintaining Car Park Equipment

b) Subsidiaries

No.	Company	Shareholdings	Business Activities
1.	Damansara Realty (Pahang) Sdn. Bhd.	80%	Property Holding and Development
2.	DHealthcare Centre Sdn. Bhd.	55%	Healthcare Service Provider
3.	TMR LC Services Sdn. Bhd.	70%	Business Refreshment Provider
4.	HC Duraclean Sdn. Bhd.	85%	Purchase, Sell and Deal in Any Kind of Professional Care and Cleaning Products
5.	Kesang Kastory Enterprise Sdn. Bhd.	95%	Import and Distribution of Food Stuff
6.	Kesang Quarry Sdn. Bhd.	70%	Quarry Operation
7.	Pedas Quarry Sdn. Bhd.	55%	Quarry Operation

c) Overseas Subsidiaries

No.	Company	Shareholdings	Business Activities
1.	Metro Parking Management (Philippines) Inc.	100%	Parking Operator and Other Related Parking Services
2.	Metro Parking (B) Sdn. Bhd.	100%	Car Park Facilities Management
3.	Metro Parking (S) Pte. Ltd.	70%	Parking Operator, Consultancy Services and Transport Related Services
4.	Metro Parking Services (India) Private Limited	99%	Parking Operator, Consultancy Services and Transport Related Services
5.	Metro Parking (HK) Limited (Struck Off)	55%	Parking Operator, Consultancy Services and Transport Related Services
6.	HTS International Ltd.	100%	Consultancy and Construction of Hospitals, Supply and Trading of Medical Equipment

d) Associated Companies

No.	Company	Shareholdings	Business Activities
1.	DAC Properties Sdn. Bhd.	30%	Development of Building Projects for Own Operation
2.	Healthcare Technical Services (PNG) Limited	45%	Consultancy and Construction of Hospitals, Supply and Trading of Medical Equipment

## 2.2.2 Recurrent Related Party Transactions of The Existing Shareholder's Mandate

Details of the existing Recurrent Related Party Transactions of which the Shareholders' Mandate was received during the previous AGM and the actual transacted amount are set out below:

DBhd Group transacting with the following Parties	Nature of transaction	Existing Shareholders' Mandate	
		Estimated value as disclosed in the Circular to Shareholders dated 30th April 2018 (RM)	Actual value transacted from 27th June 2018 up to the LPD (RM)
JCorp Group <sup>1</sup>	Rental of office space to DBhd Group and other related operational expenses <sup>3</sup>	500,000	-

DBhd Group transacting with the following Parties	Nature of transaction	Existing Shareholders' Mandate	
		Estimated value as disclosed in the Circular to Shareholders dated 30th April 2018 (RM)	Actual value transacted from 27th June 2018 up to the LPD (RM)
JCorp Group <sup>1</sup>	Miscellaneous services rendered by JCorp Group to DBhd Group (includes secretarial services, share registrar services, staff training, project management services, consultancy services, audit services and others)	Amount not currently quantifiable <sup>4</sup>	-
JCorp Group <sup>1</sup>	Sale of houses, shops, shop offices and other types of development on land registered in the name of JCorp Group for which DBhd has acquired from JCorp Group the rights to develop the said land. The entire proceeds of the sale accrue to DBhd Group	Amount not currently quantifiable <sup>5</sup>	-
JCorp Group <sup>1</sup>	Miscellaneous services offered by DBhd to JCorp Group such as supplier, contractor or project manager of construction projects and sales, marketing agent and other related services	Amount not currently quantifiable <sup>4</sup>	1,051,528
JCorp Group <sup>1</sup>	Hotel and accommodation charges	100,000	-
JCorp Group <sup>1</sup>	Rental of spaces for parking operations to MPM <sup>3</sup>	10,000,000	2,274,786
KPJ <sup>2</sup>	Rental of spaces for parking operations to MPM <sup>3</sup>	5,000,000	2,245,648
JCorp Group <sup>1</sup>	Facility management services for commercial buildings provided by TMR	12,000,000	1,409,557
KPJ <sup>2</sup>	Consultancy services for hospital planning, commissioning, construction and operation provided by HTS	12,000,000	1,680,798
KPJ <sup>2</sup>	Facility management services for hospital provided by HTS	3,000,000	446,080
JCorp Group <sup>1</sup>	Cleaning services offered by HCD and TMR and other related expenses (i.e. rental of cleaning equipment, sales of toiletries, rental of toilet equipment, landscaping and other related activities)	15,000,000	1,211,300

DBhd Group transacting with the following Parties	Nature of transaction	Existing Shareholders' Mandate	
		Estimated value as disclosed in the Circular to Shareholders dated 30th April 2018 (RM)	Actual value transacted from 27th June 2018 up to the LPD (RM)
KPJ <sup>2</sup>	Cleaning services offered by HCD and other related expenses (i.e. rental of cleaning equipment, sales of toiletries, rental of toilet equipment and others)	17,500,000	15,839,223
Seaview Holdings Sdn. Bhd. <sup>6-</sup>	Miscellaneous services rendered by Seaview Holdings Sdn. Bhd. to DBhd Group (for example staff training, project management services, consultancy services, travelling and transportation services, internal audit services and others).	Amount not currently quantifiable <sup>4</sup>	Amount not currently quantifiable <sup>4</sup>
Astaka Padu Group <sup>7</sup>	Miscellaneous services offered by DBhd Group to Astaka Padu Group such as consultancy services for hospital planning, assets facility management services and other related services	Amount not currently quantifiable <sup>4</sup>	-

**Notes:-**

<sup>1</sup> JCorp is one of the Major Shareholders of DBhd. Further details are disclosed in Section 4 of this Circular.

<sup>2</sup> KPJ is an associate company of JCorp.

<sup>3</sup> The rental period does not exceed 3 years and the rental payment is on a monthly basis.

<sup>4</sup> The nature of the transaction is based on ad-hoc services provided/received by DBhd Group. It is however not practicable to ascribe an estimate at this juncture because it is dependent on the quantum of the services.

<sup>5</sup> In compliance with paragraph 3.3 of Practice Note 12 of the Listing Requirements, any acquisition or disposal of land or land-based property from the JCorp Group is not expected to exceed 10% of any one of the Percentage Ratios. Should any of the Percentage Ratios exceed 10%, specific approvals will be sought from shareholders.

<sup>6</sup> Seaview Holdings Sdn. Bhd. is one of the major shareholders of DBhd. Its Director and major shareholder is Dato' Daing A Malek bin Daing A Rahaman.

<sup>7</sup> Dato' Daing A Malek bin Daing A Rahaman, the indirect Major Shareholder of DBhd, deemed interested in the shares held by Astaka Padu Sdn. Bhd. by virtue of him being the sole shareholder of Horizon Sea Limited, the ultimate holding company of Astaka Padu Sdn. Bhd..

### 2.2.3 Proposed Renewal of The Existing Recurrent Related Party Transactions

Details of the proposed renewal of the existing Recurrent Related Party Transactions for which the mandate of the shareholders is being sought are set out below:

DBhd Group transacting with the following parties	Nature of transaction	Estimated aggregate value from this AGM until the next AGM (RM)
JCorp Group <sup>1</sup>	Rental of office space to DBhd Group and other related operational expenses <sup>3</sup>	500,000
JCorp Group <sup>1</sup>	Miscellaneous services rendered by JCorp to DBhd Group (i.e. secretarial services, share registrar services, staff training, project management services, consultancy services, internal audit services and others)	Amount not currently quantifiable <sup>4</sup>
JCorp Group <sup>1</sup>	Sale of houses, shops, shop offices and other types of development on land registered in the name of JCorp Group for which DBhd has acquired from JCorp Group the rights to develop the said land. The entire proceeds of the sale accrue to DBhd Group	Amount not currently quantifiable <sup>4</sup>
JCorp Group <sup>1</sup>	Miscellaneous services offered by DBhd Group to JCorp Group such as supplier, contractor or project manager of construction projects and sales, marketing agent and other related services	Amount not currently quantifiable <sup>4</sup>
JCorp Group <sup>1</sup>	Hotel and accommodation charges	100,000
JCorp Group <sup>1</sup>	Rental of spaces for parking operations to MPM <sup>3</sup>	10,000,000
KPJ <sup>2</sup>	Rental of spaces for parking operations to MPM <sup>3</sup>	5,000,000
JCorp Group <sup>1</sup>	Facility management services for commercial buildings provided by TMR	12,000,000
KPJ <sup>2</sup>	Consultancy services for hospital planning, commissioning, construction and operation provided by HTS	-
KPJ <sup>2</sup>	Facility management services for hospitals provided by HTS	-
JCorp Group <sup>1</sup>	Cleaning services offered by HCD and TMR, and other related expenses (i.e. rental of cleaning equipment, sales of toiletries, rental of toilet equipment, landscaping and other related activities)	15,000,000
KPJ <sup>2</sup>	Cleaning services offered by HCD and other related expenses (i.e. rental of cleaning equipment, sales of toiletries, rental of toilet equipment and others)	17,500,000
Seaview Holdings Sdn. Bhd. <sup>5</sup>	Miscellaneous services rendered by Seaview Holdings Sdn. Bhd. to DBhd Group (i.e. staff training, project management services, consultancy services, travelling and transportation services, internal audit services and others).	Amount not currently quantifiable <sup>4</sup>
Astaka Padu Group <sup>6</sup>	Miscellaneous services offered by DBhd Group to Astaka Padu Group such as consultancy services for hospital planning, assets facility management services and other related services	Amount not currently quantifiable <sup>4</sup>

## 2.2.4 Proposed Additional Recurrent Related Party Transactions

Details of the Proposed Additional Recurrent Related Party Transactions for which the mandate of the shareholders to be sought are set out below:.

DBhd Group transacting with the following parties	Nature of transaction	Estimated aggregate value from this AGM until the next AGM (RM)
JCorp Group <sup>1</sup>	Consultancy services and equipment maintenance services provided by DPMC Group (i.e. Property and Land Development, Healthcare Facilities Consultancy Services and Human Capital Development and Training and etc)	Amount not currently quantifiable <sup>4</sup>
Directors and/or Major Shareholders of DBhd Group and Persons Connected	Sale of houses, shops, shop offices and other types of development, acquisition or disposal of land or land-based property in the ordinary course of business of not more than 10% of any one of the percentage ratios in the Listing Requirements.	#

Notes:-

- <sup>1</sup> JCorp is one of the Major Shareholders of DBhd. Further details are disclosed in Section 4 of this Circular.
- <sup>2</sup> KPJ is an associate company of JCorp.
- <sup>3</sup> The rental period does not exceed 3 years and the rental payment is on a monthly basis
- <sup>4</sup> The nature of the transaction is based on ad-hoc services provided/received by DBhd Group. It is however not practicable to ascribe an estimate at this juncture because it is dependent on the quantum of the services
- <sup>5</sup> Seaview Holdings Sdn. Bhd. is one of the major shareholders of DBhd. Its Director and major shareholder is Dato' Daing A Malek bin Daing A Rahaman.
- <sup>6</sup> Dato' Daing A Malek bin Daing A Rahaman, the indirect Major Shareholder of DBhd, deemed interested in the shares held by Astaka Padu Sdn. Bhd. by virtue of him being the sole shareholder of Horizon Sea Limited, the ultimate holding company of Astaka Padu Sdn. Bhd..
- # Estimates of the value of the Recurrent Related Party Transactions cannot be ascertained given the various types of properties sold by the DBhd Group which varies from project to project. In accordance with Paragraph 3.3 of Practice Note 12 of the Listing requirements, any one of the percentage ratios of the Recurrent Related Party Transactions is not more than 10%.

The abovementioned Recurrent Related Party Transactions are expected to be undertaken in the ordinary course of business of the Group and on terms not more favourable to the transacting parties mentioned above than those generally available to the public and are not to the detriment of the minority shareholders.

## 2.3 Amount Due and Owing Under RRPT

The breakdown of the principal sum (without interest) for the total outstanding amount due and owing to the Group under the Recurrent Related Party Transactions which exceeded the credit terms as at 31 December 2018 are as follows:

DBhd Group transacting with the following party	Nature of transaction	Outstanding amount (RM'000)			
		1 year or less	1 to 3 years	3 to 5 years	5 years and above
KPJ	Consultancy services for hospital planning, commissioning, construction and operation provided by HTS	2,456	2,811	-	-
KPJ	Facility management services for hospitals provided by HTS	172	-	-	-
KPJ	Rental of spaces for parking operations by MPM	365	257	-	-
KPJ	Cleaning services offered by HCD and other related expenses	2,501	-	-	-
<b>Total</b>		<b>5,494</b>	<b>3,069</b>	<b>-</b>	<b>-</b>
JCorp Group	Rental of spaces for parking operations	118	1,384	-	1,429
JCorp Group	Facility management services for commercial buildings provided by TMR	693	211	-	-
JCorp Group	Cleaning services offered by HCD and TMR, and other related expenses	1,497	-	-	-
<b>Total</b>		<b>2,307</b>	<b>1,595</b>	<b>-</b>	<b>1,429</b>

The amounts due are non-interest bearing and there are no late payment charges imposed by the Group on the above outstanding amounts as they were trade in nature. The Management has and will continuously meet and discuss with the debtors for early settlement of the outstanding amounts. The Board of Directors is of the opinion that there will be no recoverability issues as the debtors are related parties with a long-standing business relationship with the Group and has proven to be creditworthy debtors. Save as disclosed above, there is no amount due and owing to the Group by its related parties under the RRPTs which exceed the credit term for the financial year ended 31 December 2018.

## 2.4 Validity period of the Proposed Shareholders' Mandate

The Proposed Shareholders' Mandate, if approved by the shareholders at the AGM, will take effect from the date of the passing of the ordinary resolution relating thereto at the AGM and will continue to be in force until:

- (i) the conclusion of the next AGM of DBhd following the general meeting at which the mandate was passed, at which time it will lapse, unless by ordinary resolution passed at the meeting, the authority is renewed;
- (ii) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(2) of the Act); or
- (iii) revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting; whichever is earlier.

The Proposed Shareholders' Mandate is subject to annual renewal and as such, approval of the shareholders for the renewal of the Proposed Shareholders' Mandate will be sought at each subsequent AGM of the Company. The aggregate value of the Recurrent Transactions conducted pursuant to the Proposed Shareholders' Mandate during the financial year shall be disclosed in DBhd's Annual Report. During the period for which such mandate is in force, the requirements of paragraph 10.08 of the Listing Requirements shall not apply to the Recurrent Related Party Transactions which are comprised in the mandate.

## 2.5 Review procedures for the Recurrent Related Party Transactions

The Group has established the following procedures and guidelines to ensure that the Recurrent Related Party Transactions are undertaken on an arm's length basis and on normal commercial terms that are not more favourable to the transacting parties than those generally available to the public and are not to the detriment of the minority shareholders: -

- (i) A list of Related Parties of the DBhd Group will be circulated to the directors and management of the Company and its subsidiaries to notify that all Recurrent Related Party Transactions are required to be undertaken on an arm's length basis and 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;
- (ii) The Board Audit Committee will review all Recurrent Related Party Transactions. Any member of the Board Audit Committee may, as he/she deems fit, request for additional information pertaining to the transaction;
- (iii) Records of Recurrent Related Party Transactions will be retained and compiled for review by the Board Audit Committee;
- (iv) Disclosure on all Recurrent Related Party Transactions will be made in Annual Report of the Company;
- (v) The transaction prices, terms and conditions are determined by market forces, under similar commercial terms for transactions with third parties, which are dependent on the demand and supply; and
- (vi) The interested directors who are members of the Board and Board Audit Committee will abstain from deliberating and voting on all matters pertaining to the Recurrent Related Party Transactions at the relevant meetings of the Board or Board Audit Committee.

At least 2 other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, wherever 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 other unrelated third parties for the same or substantially similar type of products/services and/or quantities. Where quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be determined by DBhd Group based on those offered by/to other unrelated parties for the same or substantially similar type of transaction to ensure that the Recurrent Related Party Transactions are not detrimental to DBhd Group.

There is no specific threshold for approval of the Recurrent Related Party Transactions within the DBhd Group. All Recurrent Related Party Transactions are reviewed and authorised by personnel of at least senior managerial level, provided always that such personnel have no interest in the transaction and the said transaction has been approved pursuant to the Shareholders' Mandate obtained in the general meeting for the Recurrent Related Party Transaction.

## 2.6 Statement by the Board Audit Committee

The Board Audit Committee of the Company has reviewed the procedures set out in the paragraph above and is of the view that the said procedures are sufficient to ensure that the Recurrent Related Party Transactions are on terms not more favourable to the transacting parties than those generally available to the public and are not to the detriment of the minority shareholders. Any member of the Board Audit Committee who is interested in any Recurrent Related Party Transactions shall not be involved in the review of the Recurrent Related Party Transactions.

The DBhd Group has in place adequate procedures and processes to monitor, track and identify Recurrent Related Party Transactions in a timely and orderly manner. The Board Audit Committee of DBhd Group conducts a review of these procedures and processes on an annual basis.

## 2.7 Disclosure

Disclosure will be made in accordance with paragraph 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 entered into during the financial year, including amongst others, the following information:

- (i) the type of Recurrent Related Party Transactions; and
- (ii) the names of the Related Party involved in each Recurrent Related Party Transactions entered into and their relationship with the Company.

The above disclosure will be made in the Company's Annual Report for each subsequent financial year after the Shareholders' Mandate has been renewed.



## 2.8 Rationale for the Proposed Shareholders' Mandate

The benefits accruing to DBhd and/or its subsidiaries from the Recurrent Related Party Transactions, amongst others, stems from the close working relationships with the Related Parties in the Recurrent Related Party Transactions. This should ensure the timely and reliable delivery and provision of services to DBhd and/or its subsidiaries in order to ensure the smooth operation of the day-to-day business of DBhd and/or its subsidiaries.

The Proposed Shareholders' Mandate will enable DBhd and/or its subsidiaries to pursue business opportunities which are time-sensitive in nature, and will eliminate the need to announce and to convene separate general meetings on each occasion to seek prior approval of the shareholders for the Recurrent Related Party Transactions. This will substantially reduce the expenses associated with the convening of general meetings on an ad hoc basis, improve administrative efficiency and allow manpower resources and time to be channelled towards attaining other corporate objectives.

## 2.9 Financial Effects of the Proposed Shareholders' Mandate

The Proposed Shareholders' Mandate will not have any material effect on the share capital, NA, earnings, shareholdings and dividends of DBhd save for certain Recurrent Related Party Transactions, which the Board believes have a positive impact on the earnings of the Company.

## 3. APPROVALS REQUIRED

The Proposed Shareholders' Mandate is conditional upon the approval of the shareholders of the Company at the forthcoming AGM.

## 4. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

Save as disclosed below, none of the other directors or major shareholders or persons connected with them have any interest direct or indirect in the Proposed Shareholders' Mandate.

### (i) Major Shareholders' Interest

Seaview Holdings Sdn. Bhd. and JCorp Group (Interested Major Shareholder) will abstain from voting in respect of their direct and indirect interests in the Company on the resolution pertaining to the Proposed Shareholders' Mandate at the forthcoming AGM. Seaview Holdings Sdn. Bhd. and JCorp Group have undertaken to ensure that persons connected with it shall abstain from voting on the resolution pertaining to the Proposed Shareholders' Mandate at the forthcoming AGM in respect of their direct or indirect interests in the Company.

The shareholdings of the interested Major Shareholders in DBhd based on the Register of Major Shareholders as at LPD are as follows:

Name	Direct		Indirect	
	No. of DBhd Shares	%		%
Seaview Holdings Sdn. Bhd.	157,816,580	49.57	-	-
Dato' Daing A Malek bin Daing A Rahaman	-	-	157,816,580 <sup>1</sup>	49.57
Sindora Berhad	30,084,332	9.45	-	-
Kulim (Malaysia) Berhad	13,879,926	4.36	30,084,332 <sup>2</sup>	9.45
JCorp	-	-	43,964,258 <sup>3</sup>	13.81

Notes:-

<sup>1</sup> Dato' Daing A Malek bin Daing A Rahaman deemed interested by virtue of his shareholdings in Seaview Holdings Sdn. Bhd..

<sup>2</sup> Deemed interested by virtue of its shareholdings in Sindora Berhad pursuant to Section 7 of the Act.

<sup>3</sup> Deemed interested by virtue of its shareholdings in Kulim (Malaysia) Berhad pursuant to Section 7 of the Act.

## 5. DIRECTORS' RECOMMENDATION

The Board, after having considered all aspects of the Proposed Shareholders' Mandate, is of the opinion that the Proposed Shareholders' Mandate is in the best interest of the Company and accordingly recommends that the shareholders of the Company vote in favour of the resolution pertaining to the Proposed Shareholders' Mandate at the forthcoming AGM.

## 6. ANNUAL GENERAL MEETING

The Notice of 57th AGM of the Company (with the Proposed Shareholders' Mandate and the Proposed Amendments duly incorporated as Special Business in the Agenda) to be held at **Kingfisher 1, Level 3, Fraser Place Puteri Harbour Residensi & Hotel Marina, Persiaran Tanjung, Pengkalan Puteri, 79100 Iskandar Puteri, Johor Darul Takzim** on **Wednesday, 19 June 2019** at **11.00 a.m** together with the Proxy Form thereof are enclosed in the Annual Report of the Company for the financial year ended 31 December 2018.

If you are unable to attend and vote in person at the AGM, you are requested to complete, execute and return the Proxy Form in accordance with the instructions printed therein as soon as possible and in any event, so as to arrive at the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, not less than 48 hours before the time set for the AGM. The lodging of the Proxy Form will not preclude you from attending and voting in person should you subsequently wish to do so.

## 7. FURTHER INFORMATION

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

Yours faithfully,  
for and on behalf of the Board of Directors of  
**DAMANSARA REALTY BERHAD**

**DATO' AHMAD ZAHRI BIN JAMIL**  
(Independent Non-Executive Chairman)

### 1. RESPONSIBILITY STATEMENT

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

### 2. MATERIAL CONTRACTS

There are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by DBhd and its subsidiary companies within the 2 years immediately preceding the date of this Circular.

### 3. MATERIAL LITIGATION

Save as disclosed below, the Board has confirmed that the Company and its subsidiaries are not presently engaged in any material litigation either as plaintiff or defendant, claims or arbitration and they are not aware of any material proceedings pending or threatened against the Company and/or its subsidiaries:

#### a) Bungsar Hills Holdings Sdn. Bhd. (BHH) v Damansara Realty Berhad

On 12 May 2016, the Federal Court granted BHH's leave to appeal on one single question on law only pertaining to the payment of interest on a land acquisition's compensation monies.

On 2 October 2018, the case proceeded with the Hearing of the Appeal Proper in the Federal Court.

During the Decision date on 13 March 2019, the Federal Court has dismissed BHH's appeal with costs of RM30,000 to be paid by BHH to DBhd.

The Court, in delivering their judgment, held that the Court recognises only the late payment charges under the Land Acquisition Act 1960 (LAA), but does not recognise interest which was sought by BHH, on the grounds that the imposition of interest as a liability is not in tandem with the spirit and intention of the LAA. The interest amount which was sought by BHH is estimated to be approximately RM8.0 million.

The presiding Federal Court judges consist of:

- i. Chief Justice, YAA Tan Sri Datuk Sri Panglima Richard Malanjum;
- ii. Chief Judge of Malaya, YAA Tan Sri Zaharah binti Ibrahim;
- iii. Chief Judge of Sabah & Sarawak, YA Datuk David Wong Dak Wah;
- iv. Federal Court judge, YA Tan Sri Dato' Sri Azahar bin Mohamed; and
- v. Federal Court judge, YA Dato Rohana binti Yusuf.

#### b) Om Cahaya Mineral Asia Berhad v Damansara Realty (Pahang) Sdn. Bhd.

During the Clarification and Decision in the Kuala Lumpur High Court on 19 October 2019, the judge, YA Dato' Nik Hasmat Nik Mohamad, had decided as follows:-

- i. The Court dismissed the Plaintiff's claim for loss of profit in the sum of USD85 million (RM366,656,000.00 as at the date of the summons);
- ii. The Court also dismissed the Plaintiff's claim for specific performance of the contract;
- iii. The Court declared that the termination of the Agreement was unlawful;
- iv. The Court has ordered the special damages being the purported wasted expenditure claimed by the Plaintiff to be fixed for assessment based on the documents and any other evidences produced during the trial ("assessment of damages"); and

- v. Since there was no claim by the Plaintiff for general damages, the Court did not award any damages to the Plaintiff apart from the special damages which must be proven by the Plaintiff during the assessment proceedings as mentioned above.

**("the High Court decision")**

Following the above, the Defendant/Appellant had, on 5 November 2018, filed an appeal against the said High Court Decision. The Court of Appeal (COA) has fixed a case management on 20 March 2019 for the parties to update on the filing status of the Record of Appeal and the status of the High Court's Ground of Judgment.

As the Grounds of Judgement has yet to be released by the KLHC, the COA on 20 March 2019 has fixed the next Case Management date on 23 May 2019 for parties to update the COA on the status of the said Grounds of Judgment.

With regards to the proceeding of the assessment of damages as ordered by the High Court, the KLHC held that the special damages to be assessed would be limited to the wasted expenditure as pleaded by the Plaintiff in the Statement of Claim.

The Court fixed the Hearing date on 19 December 2018 which was later postponed to a Decision date on 29 March 2019.

On 29 March 2019, the Court has awarded RM10.8 million to the Plaintiff, taking the contract sum as the basis for her assessment of the special damages. The Defendant has been strongly advised by their legal counsels that there are good and cogent grounds for the Defendant to appeal against the said Assessment Decision to the Court of Appeal. The Defendant has also been advised by their legal counsels to initiate an Application for a Stay of Execution of the said Assessment Decision, to prevent the Plaintiff from enforcing their right to the sum of RM10.8 million awarded.

**c) Express Rail Link Sdn. Bhd. (ERL) v Semasa Parking Sdn. Bhd. (SPSB) & Metro Parking (M) Sdn. Bhd. (MPM)**

On 1 November 2018, MPM (Third Party) was served with a Third-Party Notice dated 31 October 2018 pertaining to a Kuala Lumpur High Court (Court) legal suit between ERL (Plaintiff) and SPSB (Defendant) over a dispute on the alleged outstanding profit-sharing amount within the period from January 2013 to June 2014.

The Third-Party Notice was filed by the Defendant who is seeking for indemnification from the Third Party over the Plaintiff's claim, in the event the Court finds the Defendant liable.

The Third Party had filed their Memorandum of Appearance in the KLHC on 13 November 2018.

During the Case Management on 10 December 2018, the Court had directed all parties to update on (i) the close of pleadings; and (ii) any interlocutory application filed by the parties prior to the closing of the pleading, during the Case Management which is fixed on 11 February 2019.

Further, during the Case Management on 11 February 2019, the Court directed (i) the Defendant to file and serve its Statement of Reply by 25 February 2019, if any; (ii) all parties to file all interlocutory application before 27 March 2019, if any; and (iii) for the parties to update any amicable settlement reached, if any. The Court fixed a Case Management on 27 March 2019 for the parties to update on the status of the directions above.

On 27 March 2019, the parties informed the Court on their ongoing attempts for a settlement meeting. The Third Party has recorded their intention to file an application for a dismissal of action under Order 33 rule 5 of the Rules of Court 2012 (the O33 application), but are receptive to the settlement meeting on a without prejudice basis. As such, the Court has fixed another case management date on 10 April 2019 (i) for the parties to update on the status of the settlement meeting; (ii) for the parties to finalise all of the pre-trial documents by 10 April 2019; (iii) for the Third Party to file and serve the O33 application by 10 April 2019; and (iv) for the Court to fix a Trial date.

On 10 April 2019, the Court has directed the parties to compile the List of Witnesses, the Common Bundle of Documents, and the Common Summary of Facts by 24 April 2019 and for the Third Party to file and serve their O33 Application by 24 April 2019. The Court then fixed the next case management date on 7 May 2019 for the parties to update on the direction given.

#### **4. DOCUMENTS FOR INSPECTION**

Copies of the following documents are available for inspection during normal business hours (except public holidays) at the Registered Office of DBhd at Lot 10.3, Level 10 Wisma Chase Perdana, Off Jalan Semantan, Damansara Heights, 50490 Kuala Lumpur, from the date of this Circular up to and including the date of the AGM:

- (i) The Constitution of the Company;
- (ii) Audited Financial Statements for the past two (2) financial years ended 31 December 2017 and 31 December 2018 and its latest unaudited financial statements for the period ended 31 March 2019; and
- (iii) Relevant cause papers relating to the material litigation referred to in Section 3 above.

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**PART B**

**PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY**

## PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY

The existing Constitution of the Company is amended by the alteration, modifications, deletion and/or additions, wherever necessary, whereby the affected existing Rules are reproduced here with the Proposed Amendments in bold, alongside it:

No.	Existing Rules	Proposed Amendments
1.	<p><b>Rule 3</b></p> <p>The objects for which this Company is established are as follows and the objects specified in each paragraph of this Rule shall be regarded as independent objects and accordingly shall, except where otherwise expressed in any paragraph, be in no way limited or restricted by reference to, or inference from the terms of any other paragraph or the name of the Company but may be carried out in as full and ample a manner and construed just as wide a sense as if the said paragraph defined the objects of a separate distinct and independent company:-</p> <p>a) To acquire purchase, lease, exchange, hire or otherwise, lands and properties of any tenure, or any interest in the same in Malaysia and elsewhere as well as to sell, grant leases and tenancies, mortgage, dispose of or otherwise to provide managerial and other executive supervisory and consultant services in relation to the management of the lands, houses, buildings and other properties of the Company.</p> <p>b) To carry on all of any of the businesses as developers of land, buildings, structures, residential plots, commercial plots, industrial plots, roads, bridges and to act as architect, designers, contractors, sub-contractors, for all types of constructions and developments work and to develop the land, sites and plots and in conjunction thereof to acquire, purchase, lease, exchange, hire or otherwise all types and description of land, and properties of any tenure or any interest in the same or to erect and construct houses, buildings, structures, or work of every kind and descriptions on any land of the Company or upon other land or property and to pull down re-build, enlarge, alter, and improve, existing houses, buildings, or work thereon.</p> <p>c) To purchase or otherwise acquire all or any of the issued share capital or investment in companies involved in housing, insurance, finance, agriculture and other general commercial or industrial business or other companies incorporated in Malaysia or elsewhere deemed advantageous by the Directors.</p> <p>d) 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.</p> <p>To do such other things as may be considered to be incidental or conducive to the above objects or any of them.</p>	<p><b>New Rule 3</b></p> <p><b>Subject to the provisions of the Act and any other written law and the Constitution, the Company has:</b></p> <p>a) <b>full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and</b></p> <p>b) <b>for the purposes of sub-Rule 3(a) above, full rights, powers and privileges.</b></p>

No.	Existing Rules	Proposed Amendments
2.	<p><u>Rule 4.1</u></p> <p>The Company shall be capable of exercising all the functions of a body corporate and have the full capacity to carry on or undertake any business or activity, to do any act which it may do or to enter into any transactions with the full rights, powers and privileges for the purposes of carrying out the objects specified under Rule 3. These powers and rights include to sue and to acquire, own, hold, develop or dispose of any property.</p> <p><u>Rule 4.2</u></p> <p>Notwithstanding that the Company has the full rights, capacity and powers to carry out the objects specified in Rule 3, the Company shall also have the powers:</p> <ul style="list-style-type: none"> <li>a) To grant pensions or gratuities to any past or serving directors, officers or employees or to the relations, connections, or dependents of any such persons, of the Company or of any company which is a subsidiary of the Company or is allied to or associated with the Company or to effect and make payment towards insurances in respect of and for the benefit of any such persons and to establish or support associations, institutions, clubs, funds and trusts (whether solely connected with the trade, carried on by the Company or any subsidiary company or not) which may be considered or calculated to benefit any such persons or otherwise advance the interests of the Company or of its members.</li> <li>b) To acquire and undertake the whole or any part of the business, goodwill and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which this Company is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm, or company or to acquire an interest in, amalgamate with or enter into any arrangements for sharing profits or for cooperation or for limiting competition or for mutual assistance with any such person, firm or company and to give or accept byway of consideration for any of the acts or things aforesaid or for any property acquired, any shares, debentures, or securities that may be agreed upon and to hold good and retail or sell, mortgage any shares, debentures or securities so received.</li> <li>c) To lend, advance or give credit to any person or company on security or otherwise with or without interest; and to mortgage, charge or assign its undertaking, property, asset, land, uncalled capital or any part then of to secure guarantee or indemnify and advance loan, liability, debt or obligations of the company or any person or company or any third party or for the account of another person, company or third party.</li> </ul>	<b>DELETED</b>



No.	Existing Rules	Proposed Amendments
2.	<p><u>Rule 4.2</u> cont'd)</p> <p>d) To borrow or raise or secure the payment of money in such manner as may be thought fit, and for that purpose to issue notes, debentures, or debenture stock, perpetual or redeemable, or to accept bills of exchange or make promissory notes and to secure the repayment or any moneys borrowed or raised or owing by the Company by a charge or lien upon or conveyance of the whole or any part of the Company's property or assets, including its uncalled capital, and to give to lenders and creditors or trusts on their behalf, powers of sale and all other usual and necessary powers.</p> <p>e) To acquire and undertake the whole or any part of the business, goodwill and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which this Company is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm, or company or to acquire an interest in, amalgamate with or enter into any arrangements for sharing profits or for cooperation or for limiting competition or for mutual assistance with any such person, firm or company and to give or accept byway of consideration for any of the acts or things aforesaid or for any property acquired, any shares, debentures, or securities that may be agreed upon and to hold good and retail or sell, mortgage any shares, debentures or securities so received.</p>	
3.	<p>Rule 6.1</p> <p>"deposited securities" means a security standing to the credit of a securities account and includes a security in a securities account that is in suspense as contained in the Central Depositories Act and/or the Rules;</p> <p>"depositor" means a holder of a Securities Account;</p> <p>"market day" means any day between Mondays to Fridays on which there is official trading on Bursa Securities;</p>	<p>Rule 6.1</p> <p><b>"Deposited Securities"</b> means a security standing to the credit of a securities account and includes a security in a securities account that is in suspense as contained in the Central Depositories Act and/or the Rules;</p> <p><b>"Depositor"</b> means a holder of a Securities Account;</p> <p><b>"Market Day"</b> means any day between Mondays to Fridays on which there is official trading on Bursa Securities;</p>
4.	None	<p><b><u>New Definitions under Rule 6.1:</u></b></p> <p><b>"Electronic Address"</b> means any electronic mail address or mobile or contact number used for the purpose of sending or receiving documents or information by electronic means;</p> <p><b>"Stock Exchange"</b> means Bursa Malaysia Securities Berhad and its successors in title and permitted assigns;</p>

No.	Existing Rules	Proposed Amendments
5.	None	<p><b><u>New Rule 8.1</u></b></p> <p>Notwithstanding Rule 7, except in the case of an issue of Securities on a pro rata basis to Members, or, pursuant to a back-to-back placement or a Dividend Reinvestment Scheme undertaken in compliance with the Listing Requirements, there shall be no issuance and allotment of Securities in the Company to a Director, major shareholder, Chief Executive or person connected with any Director, major shareholder or Chief Executive (hereinafter referred to as “the interested Director”, “interested major shareholder”, “interested Chief Executive” or “interested person connected with a Director, major shareholder or Chief Executive” respectively) unless Members in general meeting have approved the specific allotment to be made to any of the aforesaid persons.</p> <p><b><u>New Rule 8.2</u></b></p> <p>In a meeting to obtain Members’ approval in respect of the allotment referred to under Rule 8.1 above:</p> <p>a) the interested Director, interested major shareholder, interested Chief Executive or interested person connected with a Director, major shareholder or Chief Executive; and</p> <p>b) where the allotment is in favour of an interested person connected with a Director, major shareholder or Chief Executive, such Director, major shareholder or Chief Executive,</p>

No.	Existing Rules	Proposed Amendments
5.	None (cont'd)	<p>must not vote on the resolution approving the said allotment. An interested Director, interested major shareholder or interested Chief Executive must ensure that persons connected with him abstain from voting on the resolution approving the said allotment.</p> <p><b><u>New Rule 8.3</u></b></p> <p>The notice of the meeting referred to in Rule 8.1 shall state:</p> <ul style="list-style-type: none"> <li>a) the number of Securities to be allotted;</li> <li>b) the purpose of allotment;</li> <li>c) the precise terms and conditions of the allotment;</li> <li>d) the identity and relationship of the persons connected with the Director, major shareholder or Chief Executive, where applicable.</li> </ul> <p><b><u>New Rule 8.4</u></b></p> <p>In this Rule, “major shareholder”, “Chief Executive” and “person connected with any Director, major shareholder, Chief Executive” or “Dividend Reinvestment Scheme” shall have the meaning ascribed thereto in the Listing Requirements.</p>
6.	<p><b><u>Rule 22</u></b></p> <p>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.</p>	<p><b><u>Rule 22</u></b></p> <p>Subject to this Constitution, the <b>Central Depository Act and the Rules</b> 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.</p>
7.	<p><b><u>Rule 37</u></b></p> <p>The Company may by Special Resolution convert any paid-up shares into stock and reconvert any stock into paid-up shares of any number.</p>	<p><b><u>Rule 37</u></b></p> <p>The Company may by <b>Ordinary</b> Resolution convert any paid-up shares into stock and reconvert any stock into paid-up shares of any number.</p>

No.	Existing Rules	Proposed Amendments
8.	<p><u>Rule 44</u></p> <p>The Company shall not purchase its own shares unless;</p> <p>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</p>	<p><u>Rule 44</u></p> <p>The Company shall not purchase its own shares unless;</p> <p>b) the purchase is made through the <b>Stock Exchange</b> on which the shares of the Company are quoted and in accordance with the relevant rules of the <b>Stock Exchange</b>; and</p>
9.	<p><u>Rule 45</u></p> <p>Notwithstanding Rule 44(b), the Company may purchase its own shares otherwise than through a stock exchange if the purchase is:</p> <p>a) permitted under the relevant rules of the stock exchange; and</p> <p>b) made in accordance with such requirements as may be determined by the stock exchange</p>	<p><u>Rule 45</u></p> <p>Notwithstanding Rule 44(b), the Company may purchase its own shares otherwise than through a <b>Stock Exchange</b> if the purchase is:</p> <p>a) permitted under the relevant rules of the <b>Stock Exchange</b>; and</p> <p>b) made in accordance with such requirements as may be determined by the <b>Stock Exchange</b>.</p>
10.	<p><u>Rule 49.4</u></p> <p>The Directors shall:</p> <p>a) call for the meeting within fourteen (14) days from the date of the requisition under Rule 55.1; and</p> <p>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.</p>	<p><u>Rule 49.4</u></p> <p>The Directors shall:</p> <p>a) call for the meeting within fourteen (14) days from the date of the requisition under Rule <b>49.1</b>; and</p> <p>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.</p>
11.	None	<p><u><b>New Rule 60.4</b></u></p> <p><b>In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, as the case may be, shall have a second or casting vote.</b></p>

No.	Existing Rules	Proposed Amendments
12.	None	<p><b><u>New Rule 61.9</u></b></p> <p>The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the Office or at such other place within Malaysia as is specified for that purpose in the notice convening the meeting, not less than forty eight (48) hours before the time appointed for holding the meeting or adjourned meeting as the case may be, at which the person named in the instrument proposes to vote, and 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. The Company may specify a fax number and may specify an electronic address in the notice of meeting, for the purpose of receipt of proxy appointments subject to the Rules, regulations and laws at that time specified therein.</p>
13.	<p><b><u>Rule 66.2</u></b></p> <p>An Annual General Meeting may be called by a notice shorter than the period specified in Rule 83 if agreed by all the Members entitled to attend and vote at the meeting.</p>	<p><b><u>Rule 66.2</u></b></p> <p>An Annual General Meeting may be called by a notice shorter than the period specified in Rule <b>66.1</b> if agreed by all the Members entitled to attend and vote at the meeting.</p>
14.	<p><b><u>Rule 68.2</u></b></p> <p>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 67.1. 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.</p>	<p><b><u>Rule 68.2</u></b></p> <p>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 <b>68.1</b>. 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.</p>

No.	Existing Rules	Proposed Amendments
15.	None	<p><u>New Rule 68.3</u></p> <p>An election of Directors shall take place each year. At each annual general meeting, one-third (1/3) of the Directors for the time being, or if their number is not a multiple of three (3), then the number nearest to one-third (1/3), shall retire from office PROVIDED ALWAYS that all Directors shall retire from the office once at least in each three (3) years. A retiring Director shall be eligible for reelection and shall retain office until the close of the meeting at which he retires.</p>
16.	None	<p><u>New Rule 68.4</u></p> <p>The Directors to retire in every year shall be those who have been longest in office since their appointment or last election but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree amongst themselves) be determined by lot.</p>
17.	None	<p><u>New Rule 68.5</u></p> <p>The Company at the meeting of Members at which a Director retires as aforesaid may fill the vacated office by electing a person thereto, and in default the retiring Director shall be deemed to have been re-elected, unless at such meeting of Members it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to the meeting of Members and lost.</p>

No.	Existing Rules	Proposed Amendments
18.	None	<p><u>New Rule 68.6</u></p> <p>No person other than a retiring Directors shall unless recommended by the Directors for election be eligible for election to the office of Director at any meeting of Members unless a Member intending to propose him has at least eleven (11) clear days before the meeting left at the Office 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 PROVIDED ALWAYS that in the case of a person recommended by the Directors for election nine (9) clear days' notice only shall be necessary. Notice of each and every candidature shall at least seven (7) days previously to the meeting at which the election is to take place be served on the Members.</p>
19.	<p><u>Rule 70.1</u></p> <p>Subject to Rules 69.1, 69.2 and 70.1, 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.</p>	<p><u>Rule 70.1</u></p> <p>Subject to Rules 69.1, 69.2 and <b>69.3</b>, 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.</p>
20.	<p>Rule 71.1</p> <p>d) becomes disqualified from being a director under Sections 198 or 199 of the Act;</p>	<p><u>Rule 71.1</u></p> <p>d) becomes disqualified from being a director under Sections 198 or 199 of the Act or <b>Paragraph 15.05(1) of the Listing Requirements;</b></p>
21.	<p><u>Rule 77.1</u></p> <p>Subject to Rule 110, questions arising at any meeting shall be decided by most votes, each Director having one (1) vote and in case of an equality of votes the Chairman shall have a second or casting vote. Save that 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.</p>	<p><u>Rule 77.1</u></p> <p>Subject to Rule <b>76.10</b>, questions arising at any meeting shall be decided by most votes, each Director having one (1) vote and in case of an equality of votes the Chairman shall have a second or casting vote. Save that 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.</p>

Notes:-

*The effect of the above amendments to the Constitution of the Company will result the other rules in the Constitution to be re-numbered accordingly.*

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