

**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.

The Notice of the Annual General Meeting (“AGM”) and the Proxy Form are set out in the Annual Report 2015 of the Company thereof. The AGM will be held at Banquet Hall, Menara Korporat, Persada PLUS, Persimpangan Bertingkat Subang, KM15, Lebuhraya Baru Lembah Klang, 47301 Petaling Jaya, Selangor Darul Ehsan on Monday, 23 May 2016 at 10.00 a.m. or at any adjournment thereof.

The Proxy Form must be completed and lodged with UEM Sunrise Berhad’s share registrar, Symphony Share Registrars Sdn Bhd, Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, not less than 48 hours before the time of holding the AGM. The lodging of the Proxy Form will not preclude you from attending and voting in person at the meeting if you are able to do so.

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, 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.



A member of **UEM Group**  
**UEM SUNRISE BERHAD**

(Company No. 830144-W)  
(Incorporated in Malaysia under the Companies Act, 1965)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO:-**

- I) **THE PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE FOR UEM SUNRISE BERHAD (“UEMS” OR “COMPANY”) GROUP OF COMPANIES (“UEMS GROUP”); AND**
- II) **PROPOSED NEW SHAREHOLDERS’ MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE FOR UEMS GROUP**

**(To be read together with the Ordinary Resolutions 11 and 12 in the Notice of the AGM of UEMS as set out in the Company’s Annual Report 2015)**

Last date and time for lodging the Proxy Form	:	21 May 2016, 10.00 a.m.
Date and time of the AGM	:	23 May 2016, 10.00 a.m.

**This Circular is dated 29 April 2016**

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## DEFINITIONS

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

Act	: Companies Act, 1965, as amended from time to time and any re-enactment thereof
AGM	: Annual General Meeting of UEMS
Audit Committee	: Audit Committee of UEMS
Board	: Board of Directors of UEMS
Bursa Securities	: Bursa Malaysia Securities Berhad
CMSA	: Capital Markets and Services Act 2007
COX	: Cox Architecture Pty Ltd, a consultant firm
Director	: (a) A director of our Company or our subsidiary and shall have the same meaning as given in Section 2(1) of the CMSA; and  (b) For the purposes of the Proposed Mandates, includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, our director as referred to in paragraph (a) above or chief executive officer of our Company or our subsidiary
DTZ	: DTZ Nawawi Tie Leung Sdn Bhd
edotco	: edotco Malaysia Sdn Bhd, an indirect wholly-owned subsidiary of Axiata Group Berhad, a 38.21% associate company of Khazanah, our holding company
Khazanah	: Khazanah Nasional Berhad, our ultimate holding company
Khazanah Group	: Khazanah and/or its subsidiaries
KPK	: KPK Quantity Surveyors (Semenanjung) Sdn Bhd
Listing Requirements	: Main Market Listing Requirements of Bursa Securities
LPD	: 31 March 2016, being the latest practicable date prior to the printing of this Circular
Major Shareholder	: (a) A person who has an interest or interests in one or more of the voting shares in our Company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is:-  (i) 10% or more of the aggregate of the nominal amounts of all the voting shares in our Company; or  (ii) 5% or more of the aggregate of the nominal amounts of all the voting shares in that company where such person is the largest shareholder of our Company.  For the purpose of this definition, “interest in shares” shall have the meaning given in Section 6A of the Act; and  (b) For the purposes of the Proposed Mandates, includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of our

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## DEFINITIONS

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Company or our subsidiary as referred to in paragraph (a) above

Proposed Mandates	: Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate
Proposed New Shareholders' Mandate	: Proposed new shareholders' mandate for additional RRPT as set out in Section 2.3 of this Circular
Proposed Renewal of Shareholders' Mandate	: Proposed renewal of shareholders' mandate for RRPT as set out in Section 2.2 of this Circular
Related Party	: A Director or Major Shareholder of our Company and persons connected with such Director or Major Shareholder as defined under the Listing Requirements, and "Related Parties" shall be construed accordingly
RM and sen	: Ringgit Malaysia and sen respectively
RPT	: Related party transaction entered into by our Company or its subsidiaries which involves the interest, direct or indirect, of a Related Party
RRPT	: Recurrent related party transactions of a revenue or trading nature
Southern Marina	: Southern Marina Development Sdn Bhd, a 30.00% associate company of Tanjung Bidara Ventures Sdn Bhd, which in turn is a wholly-owned subsidiary of Khazanah
TM	: Telekom Malaysia Berhad, a 28.65% associate company of Khazanah
TM Group	: TM and/or its subsidiaries
UEMG	: UEM Group Berhad, our immediate holding company
UEMG Group	: UEMG and/or its subsidiaries
UEM Edgenta	: UEM Edgenta Berhad (formerly known as Faber Group Berhad), a 70.68% subsidiary company of UEMG
UEM Edgenta Group	: UEM Edgenta and/or its subsidiaries
UEM Land	: UEM Land Berhad, a wholly-owned subsidiary of our Company
UEMS or Company	: UEM Sunrise Berhad
Validity Period	: The date from the forthcoming AGM until the next AGM which will be held by 30 June 2017

All references to "**our Company**" or "**UEMS**" in this Circular are to UEM Sunrise Berhad, and references to "**our Group**" or "**UEMS Group**" are to our Company and our consolidated subsidiaries. References to "**we**", "**us**", "**our**" and "**ourselves**" are to our Company and, where the context otherwise requires, our consolidated 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. Reference to persons shall include corporations.

Any reference to a time of day or date in this Circular shall be a reference to Malaysian time or date respectively.

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A member of **UEM Group**

## **UEM SUNRISE BERHAD**

(Company No. 830144-W)  
(Incorporated in Malaysia under the Act)

Registered Office:

19-2, Mercu UEM  
Jalan Stesen Sentral 5  
Kuala Lumpur Sentral  
50470 Kuala Lumpur

29 April 2016

Directors:-

YBhg Tan Sri Dr Ir Ahmad Tajuddin Ali (*Non-Independent Non-Executive Chairman*)  
Anwar Syahrin bin Abdul Ajib (*Managing Director / Chief Executive Officer*)  
YBhg Dato' Mohd Izzaddin Idris (*Executive Director*)  
Zaida Khalida binti Shaari (*Non-Independent Non-Executive Director*)  
Lim Tian Huat (*Independent Non-Executive Director*)  
Professor Philip Sutton Cox (*Independent Non-Executive Director*)  
YBhg Dato' Srikandan Kanagainthiram (*Independent Non-Executive Director*)  
YM Ungku Suseelawati Ungku Omar (*Independent Non-Executive Director*)  
Subimal Sen Gupta (*Independent Non-Executive Director*)

**To: The Shareholders of UEMS**

Dear Sir/Madam

- I. PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE; AND**  
**II. PROPOSED NEW SHAREHOLDERS' MANDATE;**  
**(COLLECTIVELY REFERRED TO AS THE "PROPOSED MANDATES")**
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### **1. INTRODUCTION**

At our Company's 7<sup>th</sup> AGM held on 21 May 2015, the Company had obtained a shareholders' mandate for our Group to enter into RRPT which are necessary for our Group's day-to-day operations and 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 ("**2015 Shareholders' Mandate**").

The 2015 Shareholders' Mandate shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming AGM, unless the authority for its renewal is obtained from our shareholders at the forthcoming AGM.

In addition to the renewal of the 2015 Shareholders' Mandate, our Company will also be seeking a shareholders' mandate for our Group to enter into new RRPT with Related Parties.

On 25 February 2016, our Company announced that we propose to seek our shareholders' approval for the Proposed Mandates at the forthcoming AGM.

The Proposed Mandates if approved by our shareholders will be subject to annual renewal. In this respect, any authority conferred by the Proposed Mandates shall only continue to be in force until:-

- 1.1 the conclusion of our Company's next AGM at which time it will lapse, unless by a resolution passed at such general meeting whereby the authority is renewed;

1.2 the expiration of the period within which the next AGM is required to be held pursuant to Section 143(1) of the Act (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or

1.3 revoked or varied by resolution passed by the shareholders at a general meeting,

whichever is the earlier.

The purpose of this Circular is to provide you with details on the Proposed Mandates, together with the Board's recommendation thereon and also to seek your approval for the resolutions in respect of the Proposed Mandates to be tabled at the forthcoming AGM, the notices of which have been set out in the Notice of 8<sup>th</sup> AGM in the Company's Annual Report 2015.

**YOU ARE ADVISED TO READ THE CONTENTS OF THIS CIRCULAR CAREFULLY BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED MANDATES.**

## **2. DETAILS OF THE PROPOSED MANDATES**

### **2.1 Details of the RRPT**

Our Company is the flagship company for the property development and real estate investment businesses of UEMG. UEMG is wholly-owned by Khazanah which in turn is the investment holding arm of the Government.

The principal activity of our Company is investment holding whilst our subsidiaries are involved in property development, land trading, property investment, project procurement and management and investment holding.

Our Group, in the ordinary course of business, enter into RRPT which are necessary for the day-to-day operations with certain Related Parties of our Company. Such RRPT will be carried out on an arm's length basis and on commercial terms which are not more favourable to the Related Parties than those generally available to the public and which will not be detrimental to the minority shareholders of our Company.

### **2.2 Proposed Renewal of Shareholders' Mandate**

The details of the RRPT under the Proposed Renewal of Shareholders' Mandate are set out in Items 1A and 1B of **Appendix I** of this Circular.

### **2.3 Proposed New Shareholders' Mandate**

The details of the RRPT under the Proposed New Shareholders' Mandate are set out in Item 2A of **Appendix I** of this Circular.

### **2.4 Amount Due and Owing to UEMS Group by Related Parties**

As at the financial year ended 31 December 2015, our Company has no outstanding amount due and owing arising from RRPT.

## **3. REVIEW PROCEDURES FOR THE RRPT**

3.1 Our Company has established the following procedures and guidelines to ensure that the RRPT are undertaken on an arm's length basis and on normal commercial terms that are not more favourable to the Related Parties than those normally available to the public and are not to the detriment of the minority shareholders:-

3.1.1 All companies within our Group shall only enter into the RRPT after taking into account the pricing, level of service, quality of product as compared to market prices and industry standards against at least 2 other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities as comparison, wherever possible, to determine

whether the price and terms offered to/by related third parties 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 quotations or comparative pricing from unrelated parties cannot be obtained, the pricing of any RRPT entered into will be determined based on prevailing market rates under usual commercial terms, business practices and policies or otherwise in accordance with other applicable industry norms/consideration and are not to the detriment of minority shareholders;

- 3.1.2 All RRPT, which are not within the shareholders' mandate and have the values of more than RM1,000,000 or 1% of the percentage ratio (as defined under Paragraph 10.02(g) of the Listing Requirements), whichever is lower, shall be reviewed by the Audit Committee before the transactions are entered into;
- 3.1.3 If a member of the Audit Committee has an interest in any particular transaction, he or she will have to abstain from any deliberation (but may be requested by the other members of the Audit Committee to explain or furnish such information as considered necessary) and also voting on the matter at the Audit Committee meeting in respect of that transaction;
- 3.1.4 Proper records shall be maintained to capture all the RRPT entered into pursuant to the shareholders' mandate to ensure accurate disclosure thereof. Disclosure shall be made in the Annual Report of the Company of the aggregate value of transactions conducted in accordance with the given mandate;
- 3.1.5 The Audit Committee shall review relevant audit reports to ascertain that the guidelines and the procedures established to monitor the RRPT are complied with;
- 3.1.6 The Audit Committee shall have overall responsibility for the determination of the review procedures;
- 3.1.7 The Audit Committee may periodically review the relevant RRPT and the existing procedures to ascertain that they have been complied with; and
- 3.1.8 If during the periodic review, the Audit Committee is of the view that the abovementioned procedures are no longer sufficient to ensure that the RRPT are undertaken on an arm's length basis and on normal commercial terms that are not more favourable to the Related Party than those normally available to the public, the Audit Committee shall have the discretion to request for additional procedures to be imposed on all the RRPT. In that event, such procedures may be implemented without the approval of shareholders, provided that they are more stringent than the existing procedures.

#### **4. STATEMENT BY THE AUDIT COMMITTEE**

- 4.1 The Audit Committee has the overall responsibility of determining whether the procedures for reviewing the transactions that involve the Related Parties are appropriate to ensure compliance with the relevant statutory requirements. The Audit Committee has reviewed the procedures on the RRPT mentioned in paragraph 3 above and is of the view that the stipulated procedures are sufficient to ensure that the RRPT are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of our minority shareholders.
- 4.2 The Audit Committee is of the view that our Group has in place adequate procedures and processes to monitor, track and identify RRPT in a timely and orderly manner and may periodically review the existing procedures to ascertain that they have been complied with.

#### **5. RATIONALE FOR THE PROPOSED MANDATES**

- 5.1 The RRPT to be entered into by our Group are intended to meet business needs at the best possible terms. Our Group should be able to have access to all available markets and products and services provided by all vendors including the Related Parties. This will enhance our Group's ability to explore beneficial business opportunities as well as to promote cross-selling within the UEMG Group.

- 5.2 The Proposed Mandates will enable our Group to carry out recurrent routine transactions necessary for day-to-day operations, 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 our shareholders for the RRPT.
- 5.3 The Proposed Mandates will substantially reduce expenses associated with the convening of general meetings on ad hoc basis, improve administrative efficiency and allow human resources and time to be channelled towards attaining other corporate objectives.

## 6. EFFECTS OF THE PROPOSED MANDATES

The Proposed Mandates will not have any effect on our issued and paid-up share capital and is not expected to have any material effect on the net assets and gearing of our Group for the financial year ending 31 December 2016.

## 7. APPROVAL REQUIRED

The Proposed Mandates are subject to your approval at our forthcoming AGM.

## 8. MAJOR SHAREHOLDERS' AND DIRECTORS' INTERESTS

### 8.1 Major Shareholders' Interests

Khazanah and its wholly-owned subsidiary, UEMG, are major shareholders of our Company and are deemed interested in the RRPT (collectively the "**Interested Major Shareholders**"). Accordingly, the Interested Major Shareholders will abstain from voting on the resolution pertaining to the Proposed Mandates in respect of their interests, direct or indirect, at our forthcoming AGM. The Interested Major Shareholders have also undertaken to ensure that the persons connected to them will abstain from voting in respect of their direct and/or indirect shareholding on the resolution pertaining to the Proposed Mandates at the forthcoming AGM.

According to the Register of Substantial Shareholders as at the LPD, the Interested Major Shareholders' shareholdings in UEMS are as follows:-

	----- Direct -----		----- Indirect -----	
	No. of ordinary shares	%	No. of ordinary shares	%
UEMG	2,997,491,779	66.06	-	-
Khazanah	-	-	2,997,491,779 <sup>(a)</sup>	66.06

Note:-

(a) Deemed interested by virtue of its interest in UEMG pursuant to Section 6A of the Act.

### 8.2 Directors' Interests

YBhg Tan Sri Dr Ir Ahmad Tajuddin Ali and YBhg Dato' Mohd Izzaddin Idris are Directors of both UEMG and our Company. YBhg Dato' Mohd Izzaddin Idris is also a Director of UEM Edgenta. Pn Zaida Khalida binti Shaari is a nominee of Khazanah on our Board. YBhg Dato' Srikandan Kanagaintiram is the Managing Director and a substantial shareholder of KPK and a Director of our Company. YM Ungku Suseelawati Ungku Omar is a substantial shareholder of DTZ and a Director of our Company.

By virtue of their common directorships and/or interests, YBhg Tan Sri Dr Ir Ahmad Tajuddin Ali, YBhg Dato' Mohd Izzaddin Idris, Pn Zaida Khalida binti Shaari and YBhg Dato' Srikandan Kanagaintiram are deemed interested in the RRPT between our Group and the companies in which they hold directorships and/or interest and they have abstained and will continue to abstain from deliberation and voting in respect of their interests, direct or indirect, at all Board meetings of our Company in respect of the Proposed Renewal of Shareholders' Mandate.



By virtue of their common directorship and/or interests, YM Ungku Suseelawati Ungku Omar and Pn Zaida Khalida binti Shaari are deemed interested in the RRPT between our Group and the companies in which they hold directorships and/or interest and they have abstained and will continue to abstain from deliberation and voting in respect of their interest, direct or indirect, at all Board meetings of our Company in respect of the Proposed New Shareholders' Mandate.

YBhg Tan Sri Dr Ir Ahmad Tajuddin Ali, YBhg Dato' Mohd Izzaddin Idris, Pn Zaida Khalida binti Shaari, YBhg Dato' Srikandan Kanagainthiram and YM Ungku Suseelawati Ungku Omar (collectively referred to as the "**Interested Directors**") will abstain from voting in respect of their interests direct or indirect and have also undertaken to ensure that the persons connected with them will abstain from voting in respect of their interests direct or indirect on the resolutions approving the Proposed Renewal of Shareholders' Mandate and/or Proposed New Shareholders' Mandate to be tabled at the forthcoming AGM.

Based on the Register of Directors' Shareholdings as at the LPD, none of the Interested Directors have any shareholding, direct and indirect, in our Company.

Save as disclosed above, no other Directors, Major Shareholders and/or persons connected to them (as defined in the Listing Requirements) have any interest, direct or indirect, in the Proposed Mandates.

## **9. DIRECTORS' RECOMMENDATION**

Our Board (other than the Interested Directors), having considered all aspects of the Proposed Mandates, is of the opinion that the Proposed Mandates are in the best interest of our Company. Accordingly, our Board, save for the Interested Directors, recommends that you vote in favour of the ordinary resolutions pertaining to the Proposed Mandates to be tabled at our forthcoming AGM.

## **10. AGM**

10.1 Our 8<sup>th</sup> AGM, the Notice and Proxy Form of which are set out in the Company's Annual Report 2015, will be held at Banquet Hall, Menara Korporat, Persada PLUS, Persimpangan Bertingkat Subang, KM15, Lebuhraya Baru Lembah Klang, 47301 Petaling Jaya, Selangor Darul Ehsan on Monday, 23 May 2016 at 10.00 a.m. and at any adjournment thereof, for the purpose of considering and if thought fit, passing the ordinary resolutions to give effect to the Proposed Mandates.

10.2 If you are unable to attend and to vote at the AGM, you are requested to complete, sign and return the enclosed Proxy Form in accordance with the instructions printed on it, so as to arrive at our Share Registrar's office, Symphony Share Registrars Sdn Bhd, Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time set for convening of the 8<sup>th</sup> AGM. You may attend and vote in person at the AGM, if you wish to do so. In the event that you have nominated a proxy to attend and vote on your behalf, please revoke the appointment of your proxy prior to the AGM.

## **11. FURTHER INFORMATION**

Please refer to the attached appendices for further information.

Yours faithfully,  
For and on behalf of the Board of  
**UEM SUNRISE BERHAD**

**LIM TIAN HUAT**  
Independent Non-Executive Director

**APPENDIX I**

**1A. Details of the RRPT to be entered into by our Group whereby we receive services and/or rent and/or acquire land and/or land-based property from Related Parties under the Proposed Renewal of Shareholders' Mandate.**

Item	Transacting Related Party	Interested Major Shareholders/ Directors and persons connected with them	Nature of relationship as at the LPD	Nature of RRPT	2015 Shareholders' Mandate		Estimated value during the Validity Period <sup>2</sup>  (RM)
					Estimated Value as disclosed in the Circular dated 29 April 2015  (RM)	Actual Value <sup>1</sup>  (RM)	
1.	UEMG Group	Khazanah, UEMG, YBhg Tan Sri Dr Ir Ahmad Tajuddin Ali, YBhg Dato' Mohd Izzaddin Idris and Pn Zaida Khalida binti Shaari	UEMS is a 66.06% subsidiary of UEMG which in turn is a wholly-owned subsidiary of Khazanah	Receipt of group wide ICT shared services  Receipt of training and corporate advisory services  Renting of office space <sup>3</sup> , meeting rooms and other facilities  Renting of parking space <sup>3</sup>  Receipt of electricity and air-conditioning facilities  Receipt of ready-mix (cement) supply for projects in Nusajaya	500,000  4,080,000  7,250,000  45,000  210,000  7,200,000	36,151  1,318,909  3,770,931  34,583  141,054  0 <sup>4</sup>	550,000  4,000,000  6,800,000  35,000  120,000  0 <sup>4</sup>
<b>Total</b>					<b>19,285,000</b>	<b>5,301,628</b>	<b>11,505,000</b>

Item	Transacting Related Party	Interested Major Shareholders/ Directors and persons connected with them	Nature of relationship as at the LPD	Nature of RRPT	2015 Shareholders' Mandate		Estimated value during the Validity Period <sup>2</sup>
					Estimated Value as disclosed in the Circular dated 29 April 2015 (RM)	Actual Value <sup>1</sup> (RM)	
2.	UEM Edgenta Group	Khazanah, UEMG, YBhg Tan Sri Dr Ir Ahmad Tajuddin Ali, YBhg Dato' Mohd Izzaddin Idris and Pn Zaida Khalida binti Shaari	UEM Edgenta is a 70.68% subsidiary company of UEMG. UEMS is a 66.06% subsidiary of UEMG	Receipt of consultation, facilities management and maintenance services  Receipt of office cleaning, pest control services and rental of potted plants	7,600,000	295,233	13,900,000
				<b>Total</b>	<b>7,646,000</b>	<b>322,084</b>	<b>13,915,000</b>
3.	Khazanah Group	UEMG Group, YBhg Tan Sri Dr Ir Ahmad Tajuddin Ali, YBhg YBhg Dato' Mohd Izzaddin Idris and Pn Zaida Khalida binti Shaari	UEMS is a 66.06% subsidiary of UEMG which in turn is a wholly-owned subsidiary of Khazanah	Acquisition of land or land based properties in the ordinary course of business	- <sup>5</sup>	- <sup>5</sup>	- <sup>5</sup>
				<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
4.	COX <sup>6</sup>	Professor Philip Sutton Cox <sup>6</sup>	Professor Philip Sutton Cox is the founding partner of COX and also a Director of UEMS <sup>6</sup>	Receipt of consulting services	7,500,000	0 <sup>6</sup>	0 <sup>6</sup>
				<b>Total</b>	<b>7,500,000</b>	<b>0</b>	<b>0</b>

Item	Transacting Related Party	Interested Major Shareholders/ Directors and persons connected with them	Nature of relationship as at the LPD	Nature of RRPPT	2015 Shareholders' Mandate		Estimated value during the Validity Period <sup>2</sup>
					Estimated Value as disclosed in the Circular dated 29 April 2015 (RM)	Actual Value <sup>1</sup> (RM)	
5.	TM Group	Khazanah and Pn Zaida Khalida binti Shaari	TM is a 28.65% associate company of Khazanah which in turn is our ultimate holding company	Receipt of UniFi bundling services	8,900,000	2,043,530	4,500,000
				Receipt of smart building services	9,000,000	0	9,600,000
				<b>Total</b>	<b>17,900,000</b>	<b>2,043,530</b>	<b>14,100,000</b>
6.	KPK	YBhg Dato' Srikandan Kanagainthiram	Dato' Srikandan Kanagainthiram is the Managing Director and a substantial shareholder of KPK and also a Director of UEMS	Receipt of consulting services	3,000,000	611,795	3,000,000
				<b>Total</b>	<b>3,000,000</b>	<b>611,795</b>	<b>3,000,000</b>

**1B. Details of the RRPT to be entered into by our Group whereby we provide services and/or rent and/or dispose land and/or land-based property to Related Parties under the Proposed Renewal of Shareholders' Mandate.**

Item	Transacting Related Party	Interested Major Shareholders/ Directors and persons connected with them	Nature of relationship as at the LPD	Nature of RRPT	2015 Shareholders' Mandate		Estimated value during the Validity Period <sup>2</sup> (RM)
					Estimated Value as disclosed in the Circular dated 29 April 2015 (RM)	Actual Value <sup>1</sup> (RM)	
1.	UEMG Group	Khazanah, UEMG, YBhg Tan Sri Dr Ir Ahmad Tajuddin Ali, YBhg Dato' Mohd Izzaddin Idris and Pn Zaida Khalida binti Shaari	UEMS is a 66.06% subsidiary of UEMG which in turn is a wholly-owned subsidiary of Khazanah	Provision for tenancy of land for batching plant, stockyard and casting yard <sup>3</sup>	600,000	193,755	550,000
				<b>Total</b>	<b>600,000</b>	<b>193,755</b>	<b>550,000</b>
2.	Khazanah Group	UEMG Group, YBhg Tan Sri Dr Ir Ahmad Tajuddin Ali, YBhg Dato' Mohd Izzaddin Idris and Pn Zaida Khalida binti Shaari	UEMS is a 66.06% subsidiary of UEMG which in turn is a wholly-owned subsidiary of Khazanah	Provision of development and management services Disposal of land or land based properties in the ordinary course of business	35,500,000	11,538,222	32,200,000
				<b>Total</b>	<b>35,500,000</b>	<b>11,538,222</b>	<b>32,200,000</b>
3.	Directors and/or Major Shareholders of UEMG and Persons Connected with them	Directors and/or Major Shareholders of UEMG and Persons Connected with them	n/a	Sale of land and/or land based properties by UEMS Group	- <sup>7</sup>	18,186,899	- <sup>7</sup>
				<b>Total</b>	<b>-</b>	<b>18,186,899</b>	<b>-</b>

Item	Transacting Related Party	Interested Major Shareholders/ Directors and persons connected with them	Nature of relationship as at the LPD	Nature of RRRPT	2015 Shareholders' Mandate		Estimated value during the Validity Period <sup>2</sup> (RM)
					Estimated Value as disclosed in the Circular dated 29 April 2015 (RM)	Actual Value <sup>1</sup> (RM)	
4.	edotco	Khazanah and Pn Zaida Khalida binti Shaari	edotco is an indirect wholly-owned subsidiary of Axiata Group Berhad, a 38.21% associate company of Khazanah, which in turn is our ultimate holding company	Provision of land tenancy for mobile network infrastructure	850,000	13,250	600,000
				<b>Total</b>	<b>850,000</b>	<b>13,250</b>	<b>600,000</b>
5.	Southern Marina	Khazanah and Pn Zaida Khalida binti Shaari	Southern Marina is a 30.00% associate company of Tanjung Bidara Ventures Sdn Bhd, which in turn is a wholly-owned subsidiary of Khazanah	Provision of land tenancy for show gallery / site-office	166,000	160,908	200,000
				<b>Total</b>	<b>166,000</b>	<b>160,908</b>	<b>200,000</b>

**2A. Details of the additional RRPT to be entered into by our Group whereby we receive services and/or rent and/or acquire land and/or land-based property from Related Parties under the Proposed New Shareholders' Mandate.**

Item	Transacting Related Party	Interested Major Shareholders/ Directors and persons connected with them	Nature of relationship as at the LPD	Nature of RRPT	Estimated value during the Validity Period <sup>2</sup> (RM)
1.	DTZ	YM Suseelawati Ungku Umar	YM Ungku Suseelawati Ungku Umar is a substantial shareholder of DTZ and also a Director of UEMS	Receipt of consulting services	700,000
2.	TM Group	Khazanah and Pn Zaida Khalida binti Shaari	TM is a 28.65% associate company of Khazanah which in turn is our ultimate holding company	Receipt of ICT support services	220,000
				<b>Total</b>	<b>920,000</b>

Notes:-

<sup>1</sup>The actual value represented RRPT transacted from the date on which the 2015 Shareholders' Mandate was obtained or granted up to LPD.

<sup>2</sup>The estimated value shown above represents the best estimates by our Management. The actual transacted value may vary and are subject to changes accordingly.

<sup>3</sup>Tenure of the rental agreement is for a period not exceeding 3 years and is payable on a monthly or quarterly basis.

<sup>4</sup>The transacting parties set out in the 2015 Shareholders' Mandate were merely an indication and the actual transacting parties varied upon conclusion of this transaction. This transaction was entered into and concluded by the sub-contractor appointed by our Group.

<sup>5</sup>Estimated values of the transaction relating to the acquisition/disposal (as the case may be) of land and/or land-based property ("Assets") cannot be ascertained given the various types of Assets that we may acquire / dispose (as the case may be) in the ordinary course of business of the UEMS Group, as we may deem appropriate for immediate / future development. Nonetheless, in accordance with Section 3.3 of Practice Note 12 of the Listing Requirements, any one of the percentage ratios of each of the transaction is not more than 10%.

<sup>6</sup>Professor Philip Sutton Cox resigned as Director of COX effective from 17 July 2015 and ceased to have any financial interest in COX. As such, COX ceased to be a related party to UEMS Group thereon.

<sup>7</sup>Estimates of the value of this category of transactions cannot be ascertained given the various types of properties sold by the UEMS Group which varies from project to project. However, in accordance with Section 3.3 of Practice Note 12 of the Listing Requirements, any one of the percentage ratios of each of the transactions is not more than 10%.

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## APPENDIX II

### ADDITIONAL INFORMATION

#### 1. DIRECTORS' RESPONSIBILITY STATEMENT

Our Directors have seen and approved this Circular and they collectively and individually accept full responsibility for the accuracy of the information in this Circular. They 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 in this Circular misleading.

#### 2. MATERIAL LITIGATION

As at the LPD, save as disclosed below, neither we nor any of our subsidiaries are engaged in any material litigation, claims and/or arbitration either as plaintiff or defendant, which may affect our income from, title to, or possession of any of our assets and/or business, and we are not aware of any proceedings, pending or threatened, or of any facts likely to give rise to any proceedings which may affect the income from, title to, or possession of any of the assets and/or business of our Group:-

**Writ of Summons and Statement of Claim in High Court at Kuala Lumpur Suit No. 22NCVC-297-04/2013 ("Claim") filed by Rakyat Holdings Sdn Bhd ("Rakyat Holdings") against Aurora Tower @KLCC Sdn Bhd ("Aurora Tower"), a wholly-owned subsidiary of Sunrise Berhad which in turn is a wholly owned subsidiary of UEMS**

On 12 April 2013 Aurora Tower was served with the Claim filed by Rakyat Holdings. The Claim alleges breach of an agreement dated 14 January 2008 between Rakyat Holdings and Aurora Tower, for the sale of land held under Geran 4733, Lot 149, Seksyen 0058, Bandar Kuala Lumpur ("**Land**"). The principal relief sought in the Claim is an order for Aurora Tower to re-deliver ownership, title and vacant possession of the Land to Rakyat Holdings and general damages.

The High Court of Kuala Lumpur had on 28 August 2014 dismissed Rakyat Holdings' Claim against Aurora Tower and awarded costs of RM75,000.00 to be paid to Aurora Tower. Rakyat Holdings had on 29 August 2014 served a Notice of Appeal on the solicitors of Aurora Tower to appeal to the Court of Appeal against the whole of the decision of the High Court dismissing its Claim against Aurora Tower. Hearing for the appeal was fixed on 18 June 2015.

The High Court of Kuala Lumpur had on 5 November 2014 dismissed Rakyat Holdings' application for stay of execution and further directed for the private caveat entered by Rakyat Holdings to be removed and Aurora Tower shall not dispose of the Land pending disposal of Rakyat Holdings' appeal to the Court of Appeal. The private caveat has been removed as per the land search conducted on 5 January 2015.

On 18 June 2015, the Court of Appeal granted an adjournment to 3 August 2015 and further adjourned the matter for a final date on 17 September 2015 for parties to explore possible settlement. The Court of Appeal heard final submissions from both parties on 17 September 2015 and delivered its decision on 18 September 2015 whereby it ordered Aurora Tower to pay an additional sum of RM50.0 million to Rakyat Holdings with interest accruing at 5% per annum from 28 August 2014 until the date of full settlement. Rakyat Holdings' claim for re-delivery of ownership, title and vacant possession of the Land and general damages was not allowed by the Court of Appeal. The RM50.0 million in effect represents the additional amount payable by Aurora Tower to Rakyat Holdings towards the purchase consideration in the event Rakyat Holdings had not exercised its option to purchase an office block within the new development. Aurora Tower has paid the settlement sum amounting to RM50.0 million as ordered by the Court of Appeal on 25 September 2015. Rakyat Holdings has sought for leave to appeal to the Federal Court against the part of the decision of the Court of Appeal. On 24 February 2016, such leave application was dismissed by the Federal Court with costs of RM15,000.00.

### 3. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

#### 3.1 Capital commitments

As at the LPD, save as disclosed below, our Board is not aware of any capital commitments incurred or known to be incurred by our Group in relation to property, plant and machinery and investment property:-

	<b>RM million</b>
Approved and contracted for	60.5
Approved but not contracted for	472.3
<b>Total</b>	<b>532.8</b>

#### 3.2 Contingent liabilities

As at the LPD, save as disclosed below and the material litigation set out in Section 2 of this Appendix II, our Board is not aware of any material contingent liabilities, which may, upon being enforceable, have a material adverse effect on our Group's profits or net assets:-

##### (i) Tax returns

On 3 October 2011, BND received a notice of additional assessment from Inland Revenue Board ("IRB") for additional tax payable and tax penalty of RM50.9 million and RM22.9 million respectively in respect of the year of assessment 2006.

On 4 September 2012, the High Court of Kuala Lumpur had allowed BND's judicial review application to quash and set aside the additional tax assessment. The High Court of Kuala Lumpur ruled in favour of BND and declared that IRB had no legal basis to raise the additional assessment. Following the decision by the High Court of Kuala Lumpur, IRB had filed an appeal to the Court of Appeal against the decision made.

The Court of Appeal, having heard and considered the submissions by both parties on 19 and 20 May 2014, unanimously decided that there are no merits in the appeal by IRB and affirmed the decision ruled in favour of BND by the High Court of Kuala Lumpur. IRB had on 18 June 2014 filed an application for leave to the Federal Court to appeal against the decision of the Court of Appeal.

The Federal Court having heard oral submissions by both parties on 26 January 2015, unanimously decided to allow IRB's application for leave. The Federal Court has fixed 26 July 2016 for filing of written submissions and 9 August 2016 for hearing of the matter.

##### (ii) Third party charge

On 18 May 2007, Horizon Hills Development Sdn Bhd ("HHDSB"), a 50:50 joint venture company between UEM Land and Gamuda Berhad, entered into the following:-

- (a) the issue of, offer for subscription or purchase of, or invitation to subscribe for or purchase of Islamic Securities of up to RM270.0 million nominal value by HHDSB, comprising:-
  - (aa) up to 12-year Islamic Bank Guarantee Medium-Term Notes Programme of up to RM200.0 million nominal value under the principles of Murabahah ("IMTN Programme"); and
  - (bb) up to 7-year Islamic Commercial Papers Programme of up to RM70.0 million nominal value under the principles of Murabahah; and
- (b) a Kafalah (bank guarantee) facility of up to RM205.0 million to guarantee the nominal value of the IMTN Programme of up to RM200.0 million and one profit payment in respect of the IMTN Programme of up to RM5.0 million,

(collectively referred to as the “**Facilities**”).

In this respect, Nusajaya Greens Sdn Bhd (“**NGSB**”), a wholly owned subsidiary of BND, who in turn is a wholly owned subsidiary of UEM Land, had provided a third party charge over approximately 1,227 acres of land in favour of the security trustee for the Facilities. As at the LPD, the whole development land have been purchased and paid for by HHDSB.

#### 4. MATERIAL CONTRACTS

Save as disclosed below, neither we nor any of our subsidiaries have entered into any other material contract (not being contracts entered into in the ordinary course of business) within the two (2) years preceding the date of this Circular:-

- (i) a joint venture and shareholders’ agreement dated 1 July 2014 between UEM Land, Intelsec Sdn Bhd (“**Intelsec**”) and Iskandar Innovations Sdn Bhd (“**IISB**”), for the collaboration in a joint venture company in which UEM Land, Intelsec and IISB shall participate through subscription of shares in the agreed proportion of 39:51:10 for UEM Land: Intelsec: IISB. The joint venture company shall carry on the business of a managed services operating company to provide smart building services and smart city services;
- (ii) a supplemental joint venture agreement dated 29 December 2014 between UEM Land and FASTrack Autosports Pte Ltd (“**FAPL**”) and Fastrack Iskandar Sdn Bhd (“**FISB**”), to agree that the total land area for the proposed development of a Motorsport City over approximately 270 acres of land in Gerbang Nusajaya, Nusajaya, Johor Darul Takzim to be increased to 300.022 acres;
- (iii) a subscription agreement dated 17 September 2015 between UEMS and UEM Group for the issuance of redeemable convertible preference shares (“**RCPS**”) of up to RM793.0 million at the issue price of RM1.00 per share. This RCPS subscription agreement was completed on 30 October 2015;
- (iv) a joint venture and shareholders’ agreement dated 30 November 2015 between Edgenta Township Management Services Sdn Bhd and UEMS, for the collaboration in incorporation of a joint venture company for joint venture arrangement to offer integrated facilities management, estate management and stratified management services. This joint venture and shareholders’ agreement was completed on 9 December 2015;
- (v) a conditional subscription and shareholders agreement dated 1 December 2015 between WCT Land Sdn Bhd, Sunrise Berhad and Jubilant Courtyard Sdn Bhd (“**JCSB**”), for the subscription of RM1,000,000.00 new ordinary shares at an agreed subscription price of RM214.9 per share and collaboration through JCSB as the special purpose incorporated joint venture company to develop ten (10) parcels of lands measuring an aggregate area of approximately 603.63 acres located in Mukim of Bandar Serendah, District of Ulu Selangor, Selangor;
- (vi) a joint venture cum shareholders’ agreement dated 16 February 2016 between UEM Land, Leisure Farm Corporation Sdn Bhd (“**LFC**”) and JV Axis Sdn Bhd (“**JVASB**”), for the joint venture on strategic joint development of thirty eight (38) parcels of freehold lands within Mukim Pulaui, District of Johor Bahru, Johor Darul Takzim; and
- (vii) a conditional joint venture agreement dated 22 February 2016 between UEM Land and SUTL Marina Holdings Pte Ltd (“**SUTL**”) to establish a joint venture company with 40:60 for UEM Land: SUTL equity share to co-operate in incorporating, financing and operating a joint venture company in Malaysia for the purpose of carrying out development and businesses in the Puteri Harbour, Iskandar Puteri.

#### 5. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at our registered office at 19-2, Mercu UEM, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur during normal business hours on Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the 8<sup>th</sup> AGM:-

- (i) Our Memorandum and Articles of Association;
- (ii) Our audited financial statements for the financial years ended 31 December 2014 and 2015;

- (iii) Relevant cause papers for the material litigations referred to in Section 2 and 3 above; and
- (iv) Material contracts referred to in Section 4 above.

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