

The Announcement

Notice of
Annual General
Meeting

Notice is hereby given that

the 28th Annual General Meeting ("28th AGM") of DRB-HICOM Berhad ("the Company") will be held at Glenmarie Ballroom, Holiday Inn Kuala Lumpur Glenmarie, No. 1, Jalan Usahawan U1/8, Seksyen U1, 40250 Shah Alam, Selangor Darul Ehsan on Thursday, 30 August 2018 at 9.00 a.m. for the purpose of transacting the following businesses:

ORDINARY BUSINESS

- 1** To receive the Audited Financial Statements for the financial year ended 31 March 2018 together with the Reports of the Directors and Auditors thereon.
Please refer to Explanatory Note A
- 2** To approve the declaration of a single tier first and final dividend of 3.0 sen per share in respect of the financial year ended 31 March 2018. **(Resolution 1)**
Please refer to Explanatory Note B
- 3** To re-elect the following Directors who retire by rotation in accordance with Article 79 of the Company's Constitution and who being eligible, offered themselves for re-election:
(i) Dato' Sri Syed Faisal Albar bin Syed A.R. Albar **(Resolution 2)**
(ii) Dato' Siti Fatimah binti Daud **(Resolution 3)**
Please refer to Explanatory Note C
- 4** To re-elect the following Directors who retire in accordance with Article 85 of the Company's Constitution and who being eligible, offered themselves for re-election:
(i) Dato' Mohammad Zainal bin Shaari **(Resolution 4)**
(ii) Tee Beng Thong **(Resolution 5)**
(iii) Sharifah Sofia binti Syed Mokhtar Shah **(Resolution 6)**
Please refer to Explanatory Note D

SPECIAL BUSINESS

5 To approve the payment of Directors' fees up to an amount of RM1,450,000.00 to the Non-Executive Directors from the conclusion of the 28th AGM until the next Annual General Meeting. **(Resolution 7)**
Please refer to Explanatory Note E

6 To approve the payment of benefits payable (excluding Directors' fees) up to an amount of RM338,500.00 to the Non-Executive Directors' from the conclusion of the 28th AGM until the next Annual General Meeting. **(Resolution 8)**
Please refer to Explanatory Note F

7 To re-appoint Messrs Ernst & Young as Auditors of the Company for the financial year ending 31 March 2019 and to authorise the Board of Directors to fix their remuneration. **(Resolution 9)**
Please refer to Explanatory Note G

To consider and if thought fit, to pass the following Ordinary Resolution, with or without any modifications:

8 Continuation in office as Independent Non-Executive Director

"THAT approval be and is hereby given to Datuk Ooi Teik Huat, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as the Senior Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting." **(Resolution 10)**
Please refer to Explanatory Note H

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



NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT the single tier first and final dividend of 3.0 sen per share in respect of the financial year ended 31 March 2018, if approved by the shareholders at the 28th AGM, will be paid on 1 October 2018 to the shareholders whose names appear in the Record of Depositors of the Company at the close of business on 13 September 2018.

A depositor shall qualify for entitlement to the dividend only in respect of:

A shares deposited into the depositor's securities account before 12.30 p.m. on 7 September 2018 in respect of shares which are exempted from mandatory deposit;

B shares transferred into the depositor's securities account before 4.00 p.m. on 13 September 2018 in respect of ordinary transfers; and

C shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

SABARINA LAILA MOHD HASHIM (LS0004324)
Company Secretary

Shah Alam, Selangor Darul Ehsan
31 July 2018

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

1. Proxy and Authorised Representative

- (a) A member entitled to attend the meeting may appoint not more than two (2) proxies who may but need not be a member of the Company.
- (b) Where a member of the Company is an authorised nominee, as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds to which ordinary shares in the Company are credited.
- (c) For an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (omnibus account), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (d) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised in writing.
- (e) Where a member/an authorised nominee/an exempt authorised nominee appoints proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. If the form of proxy is returned without an indication as to how the proxy shall vote on any particular matter, the proxy may exercise his/her discretion as to whether to vote on such matter and if so, how.
- (f) A proxy appointed to attend and vote at the meeting shall have the same rights as the member to speak at the meeting. The lodging of a form of proxy does not preclude a member from attending and voting in person at the meeting should the member subsequently decide to do so.
- (g) The instrument appointing a proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof, shall be deposited at the office of the 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 (Tel: +603-7849 0777) not less than

forty-eight (48) hours before the time set for holding this meeting or adjourned meeting, or in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of a poll, and in default the instrument of proxy shall not be treated as valid.

2. Voting by Poll

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.

3. Members entitled to attend

For the purpose of determining a member who shall be entitled to attend the 28th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 24 August 2018. Only a depositor whose name appears therein shall be entitled to attend the 28th AGM or appoint a proxy(ies) to attend and vote on such depositor's behalf.

4. Explanatory Note A - Audited Financial Statements

This agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 ("Act") does not require the Audited Financial Statements to be formally approved by the shareholders. Hence, this item is not put forward for voting.

5. Explanatory Note B - Single tier first and final dividend

In accordance with Article 125 of the Company's Constitution, the Board is recommending that the shareholders approve the payment of a single tier first and final dividend.

With reference to Section 131 of the Act, a company may only make a distribution to the shareholders out of available profits if the company is solvent. On 31 May 2018, the Board of Directors' of DRB-HICOM ("the Board") had considered the amount of dividend and decided to recommend the same for shareholders' approval.

The Board is satisfied that the Company will be solvent as it will be able to pay its debts as and when the debts become due within 12 months immediately

after the distribution date which would be announced by the Company after the AGM in accordance with Sections 132(2) and (3) of the Act.

6. Explanatory Notes C and D - Re-election of Directors

The Directors who are subject to re-election at the 28th AGM of the Company are as follows:

- (a) Article 79 - Retirement by rotation
- (i) Dato' Sri Syed Faisal Albar bin Syed A.R. Albar
 - (ii) Dato' Siti Fatimah binti Daud

Article 79 of the Company's Constitution provides that one-third (1/3) or the number nearest to one-third (1/3) of the Directors for the time being, shall retire from office so that all the Directors shall retire from office at least once in every three (3) years ("retirement by rotation") and shall be eligible for re-election.

- (b) Article 85 - Retirement by casual vacancy
- (i) Dato' Mohammad Zainal bin Shaari (Appointed on 13 April 2018)
 - (ii) Tee Beng Thong (Appointed on 1 December 2017)
 - (iii) Sharifah Sofia binti Syed Mokhtar Shah (Appointed on 13 April 2018)

Article 85 of the Company's Constitution provides that any Directors appointed during the year shall hold office only until the next AGM, and shall then be eligible for re-election ("casual vacancy").

All Directors standing for re-election as Directors and being eligible, have offered themselves for re-election at the 28th AGM of the Company.

The Board has conducted an assessment on the independence of the Independent Directors who are seeking re-election and is of the opinion that the Directors meet the independence criteria and has recommended for the shareholders' approval at the 28th AGM of the Company.

7. Explanatory Notes E and F - Directors' fees and benefits

Section 230(1) of the Act provides that the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. For the financial year ending 31 March 2019, the Board decided that the Directors' fee be maintained as the previous financial year for each Director. Accordingly, the Company is seeking the shareholders' approval at the 28th AGM on the following resolutions:

- (a) Resolution 7 - Payment of Directors' fees up to an amount of RM1,450,000.00 to the Non-Executive Directors from the conclusion of the 28th AGM on 30 August 2018 until the next AGM of the Company to be held by September 2019 pursuant to the Act as follows:
- (i) Payment made by the Company amounting to RM864,000.00; and
 - (ii) Payment made by the Company's Subsidiaries amounting to RM586,000.00
- (b) Resolution 8 - Payment of benefits (excluding Directors' fees) payable up to the amount of RM338,500.00 to the Non-Executive Directors from the conclusion of the 28th AGM on 30 August 2018 until the next AGM of the Company to be held by September 2019 pursuant to the Act as follows:
- (i) Payment made by the Company amounting to RM190,500.00; and
 - (ii) Payment made by the Company's Subsidiaries amounting to RM148,000.00

The proposed Resolutions 7 and 8, if passed, will give authority to the Company to pay the Directors' fees and benefits on a quarterly/monthly basis and/or as and when incurred based on the present Directors' fees and benefits structure, since the Non-Executive Chairman and the Non-Executive Directors have discharged their responsibilities and rendered their services to the Company and its subsidiaries throughout the period.

**8. Explanatory Note G
- Re-appointment of Auditors**

The Board through the Board Audit Committee undertook an annual assessment of the suitability and independence of the external auditors, Messrs Ernst & Young ("EY") as recommended in Practice 8.3 of the Malaysian Code on Corporate Governance ("MCCG").

Based on the annual assessment, the Board is satisfied that EY is suitably qualified for re-appointment as Auditors of the Company and is seeking the shareholders' approval to re-appoint EY at the 28th AGM of the Company.

**9. Explanatory Note H
- Continuation in office as Independent
Non-Executive Director**

Practice 4.2 of the MCCG and the Board Charter of the Company provide that shareholders' approval be sought in the event that the Company intends for an independent director who has served in that capacity cumulatively more than nine (9) years to continue to act as Independent Director of the Company.

The Board is recommending to the shareholders for Datuk Ooi Teik Huat, who has served as an Independent Non-Executive Director of the Company for a cumulative term of 9 years and 9 months, to continue to act as the Senior Independent Director of the Company. The Board through the Board Nomination and Remuneration Committee had assessed and endorsed that Datuk Ooi Teik Huat be retained as the Senior Independent Director of the Company as he has displayed high level of integrity and is objective in his judgement and decision making in the best interest of the Company, shareholders and stakeholders and is able to express unbiased views without any influence. The detailed justifications of the Board for making such recommendation are set out in the Corporate Governance Report of the Company which is available on the Company's website at www.drb-hicom.com.

The shareholders' approval for Ordinary Resolution 10 will be sought on a single tier voting basis.

Statement Accompanying

the Notice of Annual General Meeting

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

- i. The profile of the Directors who are due for retirement and seeking for re-election pursuant to the Company's Constitution are as set out in pages 34 to 38 of this Annual Report.
 - ii. The details of the Directors' interests in the securities of the Company as at 31 March 2018 are set out in pages 162 to 168 of this Annual Report.
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