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If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

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**DRB-HICOM**

**DRB-HICOM BERHAD**

Registration No.199001011860 (203430-W)  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO THE**

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR EXISTING RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE  
("PROPOSED SHAREHOLDERS' MANDATE")**

The resolution in respect of the Proposed Shareholders' Mandate will be tabled as Special Business at the 33rd Annual General Meeting ("AGM") of DRB-HICOM Berhad ("DRB-HICOM" or "the Company"). The 33rd AGM of the Company will be held virtually from the Broadcast Venue and via the meeting platform at <https://meeting.boardroomlimited.my>. The Notice of the 33rd AGM of the Company together with the Form of Proxy, Administrative Guide and this Circular are available online at the Company's website <https://www.drb-hicom.com/investors/agm-33/>. Please follow the procedures provided in the Administrative Guide in order to register, participate and vote remotely.

Date and time of the 33rd AGM : Monday, 29 May 2023 at 10.30 a.m.  
Broadcast Venue of the 33rd AGM : Training Hall, Level 6, Wisma DRB-HICOM  
No. 2, Jalan Usahawan U1/8, Seksyen U1  
40150 Shah Alam, Selangor Darul Ehsan

As a shareholder, in the event you wish to appoint a proxy, please complete, sign and return the Form of Proxy in accordance with the instructions printed thereon. The Form of Proxy for the 33rd AGM should be completed and deposited at the office of the Share Registrar of DRB-HICOM, Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan (Tel: 603-7890 4700). Alternatively, the Form of Proxy can be deposited electronically through the Share Registrar's website, Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com>. As the voting at the 33rd AGM will be conducted on a poll, the Form of Proxy must be lodged on or before the following time and date:

Last date and time for deposit of the Form of Proxy : Saturday, 27 May 2023 at 10.30 a.m.

For further information on the electronic lodgement of the Form of Proxy, kindly refer to the Administrative Guide for the 33rd AGM.

This Circular is dated 28 April 2023

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## DEFINITIONS

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

“Annual Report 2022”	:	Annual Report of the Company for the financial year ended 31 December 2022
“AGM”	:	Annual General Meeting
“Alam Flora”	:	Alam Flora Sdn Bhd
“Alam Flora Group”	:	Alam Flora and its group of companies
“Aurora Mulia”	:	Aurora Mulia Sdn Bhd
“Aurora Mulia Group”	:	Aurora Mulia and its group of companies
“BMMB”	:	Bank Muamalat Malaysia Berhad
“BMMB Group”	:	BMMB and its group of companies
“Board” or “Director”	:	Board of Directors of DRB-HICOM and Director shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding six months of the date on which terms of the transaction were agreed upon, a Director of the Company or any other company which is its subsidiary or holding company, or a chief executive officer of the Company, its subsidiary companies or holding company.
“Bursa Securities”	:	Bursa Malaysia Securities Berhad
“CA 2016”	:	Malaysian Companies Act 2016, as amended from time to time including any re-enactment thereof
“Compounding & Colouring”	:	Compounding & Colouring Sdn Bhd
“DRB-HICOM” or the “Company”	:	DRB-HICOM Berhad
“DRB-HICOM Group” or the “Group”	:	DRB-HICOM and its subsidiary companies
“EON”	:	Edaran Otomobil Nasional Berhad
“EON Group”	:	EON and its subsidiary companies
“EPF”	:	Employees Provident Fund Board
“Etika Strategi”	:	Etika Strategi Sdn Bhd
“Geely”	:	Zhejiang Geely Holding Group Co., Ltd
“Geely Group”	:	Geely and its group of companies
“Gas Malaysia”	:	Gas Malaysia Berhad

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**DEFINITIONS** *(cont'd)*

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“HTS”	:	HICOM-Teck See Manufacturing Malaysia Sdn Bhd
“Islamic Arts”	:	Islamic Arts Museum Shop Sdn Bhd
“KHSB Marketing”	:	KHSB Marketing Sdn Bhd
“MMLR”	:	Main Market Listing Requirements of Bursa Securities, including any Practice Note(s) issued in relation thereto
“LPD”	:	31 March 2023, being the Latest Practicable Date prior to the date of this Circular
“Major Shareholder”	:	<p>A person who has an interest or interests in one or more voting shares in a corporation and the number and aggregate number of those shares, is:-</p> <p>(a) 10% or more of the total number of the voting shares in the corporation; or</p> <p>(b) 5% or more of the total number of the voting shares in the corporation where such person is the largest shareholder of the corporation.</p> <p>For the purposes of this definition, “interest in shares” shall have the meaning given in Section 8 of the CA 2016. The Major Shareholder shall also include any person who is and was within the preceding six months of the date on which the terms of the transaction were agreed upon, a Major Shareholder of a company or any other company which is its subsidiary or holding company.</p>
“MMC”	:	MMC Corporation Berhad
“MMC Group”	:	MMC and its group of companies
“Malakoff”	:	Malakoff Corporation Berhad
“Malakoff Group”	:	Malakoff and its group of companies
“Proposed Mandate Period”	:	<p>The period commencing immediately upon the passing of the Ordinary Resolution for the Proposed Shareholders’ Mandate at the forthcoming AGM of the Company and ending at:-</p> <p>(a) the conclusion of the next AGM of the Company (following the general meeting at which the Proposed Shareholders’ Mandate is passed), at which time it shall lapse unless by an ordinary resolution passed at the next AGM, the authority is renewed, either unconditionally or subject to conditions;</p> <p>(b) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the CA 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the CA 2016); or</p> <p>(c) revocation or variation of the Proposed Shareholders’ Mandate by resolution passed by the shareholders of the Company at a general meeting,</p> <p>whichever is the earliest.</p>

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**DEFINITIONS** *(cont'd)*

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“Person Connected”	:	In relation to any person (referred to as “said Person”) means such person who falls under any one of the following categories:-  (a) a family member of the said Person;  (b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary;  (c) a partner of the said Person;  (d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;  (e) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act;  (f) a body corporate in which the said Person, or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or  (g) a body corporate which is a related corporation of the said Person.
“Prisma Dimensi”	:	Prisma Dimensi Sdn Bhd
“Prisma Dimensi Group”	:	Prisma Dimensi and its subsidiary companies
“PROTON”	:	PROTON Holdings Berhad
“PROTON Group”	:	PROTON and its subsidiary companies
“PONS B”	:	Perusahaan Otomobil Nasional Sdn Bhd
“Proposed Shareholders’ Mandate”	:	Proposed renewal of shareholders’ mandate for existing recurrent related party transactions which are in the ordinary course of business of the DRB-HICOM Group
“RM” and “sen”	:	Ringgit Malaysia and sen respectively
“Recurrent Related Party Transaction(s) (RRPTs)”	:	Related Party Transaction(s) which is recurrent of a revenue, or trading nature, and which is necessary for the day-to-day operations of the DRB-HICOM Group.
“Related Party(ies)”	:	A Director, Major Shareholder or Person Connected with such Director, or Major Shareholder. For the purpose of this definition, “Director” and “Major Shareholder” shall have the meaning given in Paragraph 10.02 of the MMLR.

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**DEFINITIONS** *(cont'd)*

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“Share(s)”	:	Ordinary share(s) in the Company
“Souq”	:	Souq Realty Sdn Bhd
“Teck See Plastic”	:	Teck See Plastic Sdn Bhd
“TCB”	:	Tradewinds Corporation Berhad
“TCB Group”	:	TCB and its group of companies
“Tradewinds Plantation”	:	Tradewinds Plantation Berhad
“Tradewinds Plantation Group”	:	Tradewinds Plantation and its group of companies
“Tradewinds International Insurance Brokers”	:	Tradewinds International Insurance Brokers Sdn Bhd
“TSSM”	:	Tan Sri Dato’ Seri Syed Mokhtar Shah Syed Nor

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## TABLE OF CONTENTS

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<b>CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED SHAREHOLDERS' MANDATE:-</b>		Page
<b>1.</b>	<b>INTRODUCTION</b>	1-2
<b>2.</b>	<b>DETAILS OF THE PROPOSALS</b>	
2.1	Proposed Shareholders' Mandate	2-3
2.2	Details of the Proposed Shareholders' Mandate	
2.2.1	Principal Activities of DRB-HICOM Group	3
2.2.2	Class of Related Parties	3-4
2.2.3	Nature and Terms of the RRPTs	4-9
2.2.4	Review of procedures on RRPTs	9-10
2.2.5	Excluded Transactions	10
2.3	Statement by the Board Audit Committee	11
2.4	Rationale and Benefits of the Proposed Shareholders' Mandate	11
2.5	Interest of Directors, Major Shareholders and Persons Connected with them	11-12
2.6	Approved Required	12
2.7	Mandated RRPTs which have exceeded 10% of the estimated value of transaction as disclosed in the Circular to Shareholders of the preceding year	12
2.8	Amounts Due and Owing to the DRB-HICOM Group by the Transacting Related Parties pursuant to the RRPTs	12
<b>3.</b>	<b>FINANCIAL EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE</b>	13
<b>4.</b>	<b>DIRECTORS' STATEMENT AND RECOMMENDATION</b>	13
<b>5.</b>	<b>AGM</b>	13
<b>6.</b>	<b>FURTHER INFORMATION</b>	13
APPENDIX I - FURTHER INFORMATION		14-16
APPENDIX II – EXTRACT OF THE NOTICE OF THE AGM		17



## DRB-HICOM BERHAD

Registration No.199001011860 (203430-W)  
(Incorporated in Malaysia)

### Registered office:

Level 5, Wisma DRB-HICOM  
No. 2, Jalan Usahawan U1/8  
Section U1, 40150 Shah Alam  
Selangor Darul Ehsan

28 April 2023

### Board of Directors:

Tan Sri Wan Zulkiflee Wan Ariffin (*Chairman, Independent Non-Executive Director*)  
Dato' Sri Syed Faisal Albar Syed A.R Albar (*Group Managing Director*)  
Dato' Ibrahim Taib (*Senior Independent Non-Executive Director*)  
Datuk Ooi Teik Huat (*Non-Independent Non-Executive Director*)  
Datuk Idris Abdullah @ Das Murthy (*Independent Non-Executive Director*)  
Uji Sherina Abdullah (*Independent Non-Executive Director*)

Dear Shareholders,

### PROPOSED SHAREHOLDERS' MANDATE

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#### 1. INTRODUCTION

- 1.1 At the 32nd AGM of the Company held on 22 June 2022, the Company had obtained a mandate from its shareholders to allow the Company and/or its subsidiary companies to enter into RRPTs as disclosed in the preceding year's Circular to Shareholders dated 29 April 2022 ("Shareholders' Mandate"). The Shareholders' Mandate shall, in accordance with the MMLR, expire at the 33rd AGM of the Company, unless the Shareholders' Mandate is renewed at the said AGM. The Company will seek approval from its shareholders for the renewal of the Shareholders' Mandate at the forthcoming 33rd AGM.
- 1.2 The Company had received the approval dated 20 June 2007 in respect of RRPTs involving the interest of EPF from Bursa Securities, following the application made by DRB-HICOM, seeking a waiver for DRB-HICOM Group from having to comply with paragraphs 10.08 and/or 10.09 of MMLR in respect of RRPTs involving companies in which EPF ("Investor") and/or funds managed by Investor is interested, subject to the condition that all such transactions must be on normal commercial terms and on terms not more favourable to the investee companies of the Investor than those generally available to the public and are not to the detriment of minority shareholders of DRB-HICOM.

The application for general exemption in respect of the above was made to Bursa Securities on the following grounds:-

- (a) Obstacles encountered by DRB-HICOM as the broad-based investment portfolios of the Investor would give rise to a high probability of various transactions undertaken or entered into by the relevant companies within the Group falling under the ambit of related party transactions under the MMLR, only because of the interest of the Investor. Hence, it would necessitate on a continuous basis, a high volume of administrative and compliance efforts, to the extent of disrupting the normal business operations of the Group.

- (b) Obstacles on the part of the Investor, in particular, the Investor is under no obligation to disclose its interests in companies under their investment to DRB-HICOM and the difficulties on their part to compile the relevant information required by DRB-HICOM in view of the extensive number of companies under their investment, which necessitate constant monitoring.

In this regard, the Company will not need to seek shareholders' mandate in view of the waiver granted by Bursa Securities.

- 1.3 The purpose of this Circular is to provide you with the details of the Proposed Shareholders' Mandate and seek your approval for the Ordinary Resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming 33rd AGM. An extract of the Notice of the 33rd AGM is enclosed in this Circular for your ease of reference.

The Proposed Shareholders' Mandate, if approved, will take effect from the date of passing of the Ordinary Resolution relating thereto at the 33rd AGM and shall continue to be in force until the conclusion of the next AGM of the Company unless the authority for the renewal is obtained from the shareholders at its subsequent AGM.

**SHAREHOLDERS ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS' MANDATE AT THE FORTHCOMING 33RD AGM.**

## **2. DETAILS OF THE PROPOSALS**

### **2.1 Proposed Shareholders' Mandate**

In compliance with Paragraph 10.09 of MMLR, the Company proposes to seek its shareholders' approval for the Proposed Shareholders' Mandate which will apply to the RRPTs as set out in Section 2.2.3 below. The RRPTs are of a revenue or trading nature which are necessary for the day-to-day operations of DRB-HICOM Group subject to the following:-

- (a) 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; and
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the Company of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or exceeds the applicable prescribed threshold under Paragraph 10.09(1) of MMLR.

The Proposed Shareholders' Mandate if approved by shareholders at the forthcoming AGM of the Company, will be subject to annual renewal. In this respect, any authority conferred following the Proposed Shareholders' Mandate shall only continue to be in force until:-

- (a) the conclusion of the next AGM of the Company at which time it will lapse, unless by a resolution passed at the meeting whereupon the authority is renewed;
- (b) the expiration of the period within which the next AGM of DRB-HICOM is required to be held pursuant to section 340(2) of the CA 2016 (but shall not extend to such extension as may be allowed pursuant to section 340(4) of the CA 2016; or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is the earliest.

The Proposed Shareholders' Mandate, shall apply in respect of all RRPTs, as set out in Section 2.2.3 below, to be entered into by DRB-HICOM Group during the Proposed Mandate Period. Thereafter, approval from the shareholders for a renewal of the mandate may be sought at each subsequent AGM of DRB-HICOM.



In making the disclosure of the aggregate value of the RRPTs conducted pursuant to the Proposed Shareholders' Mandate where the aggregate value is equal to or exceeds the applicable prescribed threshold under Paragraph 10.09(1) of MMLR, the Company will provide a breakdown of the aggregate value of the RRPTs made during the financial year in the Company's Annual Report 2022 based on the type of the RRPTs made and the names of the Related Parties involved in each type of the RRPTs made and their relationships with the Group.

When the aggregated actual value of the RRPTs entered into with the Related Parties within the same group exceeds the aggregated estimated value of such RRPTs as disclosed in this Circular by 10% or more, the Company will make an immediate announcement, which will include the information as may be prescribed, to Bursa Securities.

## 2.2 Details of the Proposed Shareholders' Mandate

### 2.2.1 Principal Activities of DRB-HICOM Group

The principal activity of the Company is an investment holding company with investments in the automotive, aerospace and defence, postal, banking, services (including concession services, education, aviation, logistics and others) and properties segments. There was no significant change in these activities during the financial year.

The details of the principal activities of the companies in the Group as described in note 3 in the financial statements are available in the DRB-HICOM's Annual Report 2022.

### 2.2.2 Class of Related Parties

The Proposed Shareholders' Mandate will apply to transactions to be entered into by the DRB-HICOM Group which involve the interest, direct or indirect, of Related Parties. Details of the Related Parties are as follows:-

Transacting Related Party	Principal Activities	Nature of Relationship
Aurora Mulia	Investment Holding	A company in which TSSM is an indirect Major Shareholder
Alam Flora	Provision of integrated solid waste collection and public cleansing management services	An indirect 97.37% owned company of Malakoff
Compounding & Colouring	Manufacture and sale of polypropylene compounds	A related corporation of Teck See Plastic, a 49% shareholder of HTS
Gas Malaysia	Provision of Management Services and Investment Holdings	A 30.9% indirect associated company of MMC
Geely	Core business activities are within the automotive industry	A 49.9% shareholder of PROTON
Islamic Arts	Business of all kinds of gifts and souvenirs	A company owned by Persons Connected to TSSM
KHSB Marketing	Investment Holding	A company owned by Persons Connected to TSSM

<b>Transacting Related Party</b>	<b>Principal Activities</b>	<b>Nature of Relationship</b>
Malakoff	Investment holding activities. The subsidiary companies of Malakoff are principally involved in independent power generation and water production business, development of renewable energy projects and green solutions, operations and maintenance services for power plants and water plants, electricity and chilled water distribution, project management, integrated solid waste collection and management including public cleansing services and total environmental solutions.	A 38.45% associated company of MMC
MMC	Undertakes mining and mineral exploration activities and also derives income from its investments. The subsidiaries of MMC are principally involved in Engineering, Infrastructure and Utilities.	A company in which TSSM is an indirect Major Shareholder
Prisma Dimensi	Property Development	A company in which TSSM is an indirect Major Shareholder
PROTON	Investment holding and its subsidiary companies provide manufacturing, assembly and sales of motor vehicles and related products	A 50.1% owned subsidiary company of DRB-HICOM
Souq	Property Investment	A company in which TSSM is an indirect Major Shareholder
Teck See Plastic	Investment holding, letting of property, plant and equipment and manufacture and distribution of plastic articles and products	A 49% shareholder of HTS
TCB	Investment holding, provision of management services, commercial property investment and property development	A company in which TSSM is an indirect Major Shareholder
Tradewinds International Insurance Brokers	Insurance broker for direct insurance and reinsurance businesses	100% owned subsidiary company of TCB
Tradewinds Plantation	Investment holding	A company in which TSSM is an indirect Major Shareholder

The details of the direct and indirect interests of the Directors and Major Shareholders and Person Connected with them in DRB-HICOM are indicated in Section 2.5 below.

### 2.2.3 Nature and Terms of the RRPTs

The RRPTs as set out below, are transactions to be entered into by the DRB-HICOM Group relating to the provision or the obtaining of products and/or services of a revenue or trading nature, which are necessary for the day-to-day operations in the ordinary course of business of the DRB-HICOM Group, to or from the Related Parties, under the Proposed Shareholders' Mandate:-

No.	DRB-HICOM and/or its subsidiary companies	Transacting related party	Nature of transaction	Estimated value as disclosed in the preceding year's Circular to Shareholders (RM'000)	Actual value transacted from 23 June 2022 to 31 March 2023 (RM'000)	Estimated value of the Proposed Shareholders' Mandate <sup>(1)</sup> (RM'000)
1.	HTS	Teck See Plastic	Supply of automotive plastic components by Teck See Plastic to HTS	400	44	100
		Compounding & Colouring	Supply of raw materials by Compounding & Colouring to HTS	5,000	1,234	2,000
			<b>Total</b>	<b>5,400</b>	<b>1,278</b>	<b>2,100</b>
2.	PONSB	Geely Group	Provision of technical support, payment of royalties and supply of components for motor vehicles by Geely Group to PONS B	3,000,000	2,014,538	4,000,000
			<b>Total</b>	<b>3,000,000</b>	<b>2,014,538</b>	<b>4,000,000</b>
3.	BMMB	Islamic Arts	Purchase of all kinds of gifts and souvenirs by BMMB from Islamic Arts	200	79	150
		EON Group	MMC Group	Supply of motor vehicles, accessories, spare parts and maintenance services by EON Group to MMC Group	3,500	756
		Tradewinds Plantation Group	Supply of motor vehicles, accessories, spare parts and maintenance services as well as leasing of motor vehicles by EON Group to Tradewinds Plantation Group	50,000	33,500	35,000
	DRB-HICOM Group	Aurora Mulia Group	Provision of media-related businesses in newspapers, television and out-of-home advertising by Aurora Mulia Group to DRB-HICOM Group	1,400	1,191	2,300
		Gas Malaysia Group	Provision of supply of Natural Gas from Gas Malaysia Group to DRB-HICOM Group	14,500	18,921 <sup>(2)</sup>	30,800
Alam Flora Group		Provision of integrated solid waste management services, recycling, integrated facility management services and related services from Alam Flora Group to DRB-HICOM Group	24,780	20,864	25,940	

No.	DRB-HICOM and/or its subsidiary companies	Transacting related party	Nature of transaction	Estimated value as disclosed in the preceding year's Circular to Shareholders (RM'000)	Actual value transacted from 23 June 2022 to 31 March 2023 (RM'000)	Estimated value of the Proposed Shareholders' Mandate <sup>(1)</sup> (RM'000)
3.	(continued)					
	DRB-HICOM Group	Alam Flora Group	Provision of rental of office spaces <sup>3</sup> and service charges by DRB-HICOM Group to Alam Flora	2,500	1,944	2,750
		MMC Group	Supply and leasing of machineries, motor vehicles including accessories, spare parts as well as maintenance services and bins by DRB-HICOM Group to MMC Group	5,000	2,915	4,800
		Malakoff Group	Proposed development of rooftop solar photovoltaic project by Malakoff Group to DRB-HICOM Group	4,000	1,638	4,250
		Tradewinds International Insurance Brokers	Provision of insurance broker for direct insurance and reinsurance business by Tradewinds International Insurance Brokers to DRB-HICOM Group	3,800	2,304	2,000
		Souq	Provision of rental of Souq Commercial Centre including service charges by Souq to DRB-HICOM Group <sup>3</sup>	800	576	840
		Prisma Dimensi Group	Provision of rental of buildings and land <sup>3</sup> by Prisma Dimensi Group to DRB-HICOM Group	3,850	2,963	3,920
	BMMB Group	KHSB Marketing	Provision of rental of building space <sup>3</sup> by KHSB Marketing to BMMB Group	850	360	550
<b>Total</b>				<b>115,180</b>	<b>88,011</b>	<b>115,300</b>
<b>Grand total</b>				<b>3,120,580</b>	<b>2,103,827</b>	<b>4,117,400</b>

*Notes:*

- (1) *The estimated transactions from 29 May 2023 (date of the forthcoming 33rd AGM) are for the estimated validity period of one year and based on best estimates by the management using historical trends and projected business transaction growth. Accordingly, the actual value transacted may vary from, exceed or be lower than, the estimates shown above.*
- (2) *In determining whether the actual value of RRPT has exceeded the shareholders' mandate, listed issuers are allowed to use the aggregated estimated value for all transactions with the same related party as a single threshold, and the aggregated actual value must not exceed 10% of the aggregated estimated value.*

(3) The details of rental receivables and payables are as follows:

Company	Transacting Party	Address/Location	Description	Area	Period of tenancy/Rental rate
DRB-HICOM Berhad Group	Alam Flora Group	Suite 4.1, Level 4, Wisma DRB-HICOM, No. 2, Jalan Usahawan U1/8, Seksyen U1, 40150 Shah Alam Selangor Darul Ehsan	Rental of office space	13,100 Square feet	A period of two years and subject to renewal for a rental of RM45,850 per month
		Suite 4.2, Level 4, Wisma DRB-HICOM, No. 2, Jalan Usahawan U1/8, Seksyen U1, 40150 Shah Alam Selangor Darul Ehsan	Rental of office space	3,800 Square feet	A period of two years and subject to renewal for a rental of RM13,300 per month
		Suite 4.6D, Level 4, Wisma DRB-HICOM, No. 2, Jalan Usahawan U1/8, Seksyen U1, 40150 Shah Alam Selangor Darul Ehsan	Rental of office space	427 Square feet	A period of two years and subject to renewal for a rental of RM1,494.50 per month
		Suite 2.4, Level 2, Wisma DRB-HICOM, No. 2, Jalan Usahawan U1/8, Seksyen U1, 40150 Shah Alam Selangor Darul Ehsan	Rental of office space	1,376 Square feet	A period of two years and subject to renewal for a rental of RM4,816 per month
		Suite 4.3B, Level 4, Wisma DRB-HICOM, No. 2, Jalan Usahawan U1/8, Seksyen U1, 40150 Shah Alam Selangor Darul Ehsan	Rental of office space	2,121 Square feet	A period of two years and subject to renewal for a rental of RM7,423.50 per month
		Suite 4.4A, Level 4, Wisma DRB-HICOM, No. 2, Jalan Usahawan U1/8, Seksyen U1, 40150 Shah Alam Selangor Darul Ehsan	Rental of office space	2,500 Square feet	A period of two years and subject to renewal for a rental of RM8,750 per month
		Suite 4.4B, Level 4, Wisma DRB-HICOM, No. 2, Jalan Usahawan U1/8, Seksyen U1, 40150 Shah Alam Selangor Darul Ehsan	Rental of office space	3,331 Square feet	A period of two years and subject to renewal for a rental of RM11,658.80 per month
		Suite 4.6B&C, Level 4, Wisma DRB-HICOM, No. 2, Jalan Usahawan U1/8, Seksyen U1, 40150 Shah Alam Selangor Darul Ehsan	Rental of office space	3,117 Square feet	A period of two years and subject to renewal for a rental of RM10,909.50 per month

Company	Transacting Party	Address/Location	Description	Area	Period of tenancy/Rental rate
DRB-HICOM Berhad Group	Alam Flora Group	Suite 2.2, Level 2, Wisma DRB-HICOM, No. 2, Jalan Usahawan U1/8, Seksyen U1, 40150 Shah Alam Selangor Darul Ehsan	Rental of office space	5,734 Square feet	A period of two years and subject to renewal for a rental of RM20,069 per month
		Suite 4.4C, Level 4, Wisma DRB-HICOM, No. 2, Jalan Usahawan U1/8, Seksyen U1, 40150 Shah Alam Selangor Darul Ehsan	Rental of office space	850 Square feet	A period of two years and subject to renewal for a rental of RM2,975 per month
		Suite 2-2, Level 2, EON Head Office Complex, No. 2, Persiaran Kerjaya, Taman Perindustrian Glenmarie, Seksyen U1, 40150 Shah Alam Selangor Darul Ehsan	Rental of office space	5,600 Square feet	A period of two years and subject to renewal for a rental of RM19,600 per month and service charges of RM7,112 per month
		Suite 2-4, Level 2, EON Head Office Complex, No. 2, Persiaran Kerjaya, Taman Perindustrian Glenmarie, Seksyen U1, 40150 Shah Alam Selangor Darul Ehsan	Rental of office space	6,200 Square feet	A period of two years and subject to renewal for a rental of RM21,700 per month and service charges of RM7,874 per month
DRB-HICOM Group	Prisma Dimensi Group	EON Complex No. 2, Persiaran Kerjaya, Taman Perindustrian Glenmarie, Seksyen U1, 40150 Shah Alam Selangor Darul Ehsan	Rental of Building	86,826 square feet	A period of one year [with an option to renew for another one (1) year] and subject to renewal for a rental of RM156,287 per month
		ACM Building Lot 3, Jalan Perusahaan Dua, Kawasan Perindustrian Batu Caves, 68100 Batu Caves, Selangor Darul Ehsan	Rental of Building	79,303 square feet	A period of one year [with an option to renew for another one (1) year] and subject to renewal for a rental of RM95,164 per month
		GRN 311148 Lot 62664 and GRN 311149 Lot 62665, both at Pekan HICOM, Daerah Petaling, Selangor Darul Ehsan	Rental of Land	approximately 444,732 square feet	A period of two years and subject to renewal for a rental of RM30,000 per month
		Ground, First and Second Floor, No 2, Jalan President FU1/F, Accentra Glenmarie, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan	Rental of building space	7,680 Square feet	A period of three years and subject to renewal for a rental of RM18,000 per month

Company	Transacting Party	Address/Location	Description	Area	Period of tenancy/Rental rate
DRB-HICOM Group	Souq	Lot No. L3 Bazaar, Level 1, Souq Commercial Centre, AlBukhary Complex, Jalan Tun Abdul Razak, Alor Setar, Kedah Darul Amin	Rental of building space	2,900 Square feet	A period of three years and subject to renewal for a rental of RM12,530 per month
		Levels 1 and 2, Souq East Wing, Souq Commercial Centre, AlBukhary Complex, Jalan Tun Abdul Razak, Alor Setar, Kedah Darul Amin	Rental of building space	35,992 Square feet	A period of three years and subject to renewal for a rental of RM28,793 per month
BMMB	KHSB Marketing	Ground, Mezzanine & Second Floor, Menara Dewan Perhimpunan Melayu Kedah, Lot 2242 & 1009 Lebuhraya Darul Aman, 05100 Alor Setar, Kedah Darul Amin	Rental of building space	8,883 Square feet	A period of three years and subject to renewal for a rental of RM26,649.00 per month and maintenance fee of RM13,324.50 per month

#### 2.2.4 Review of procedures on RRPTs

The Board has established and adopted review procedures to ensure that RRPTs are undertaken at an arm's length, on normal commercial terms consistent with the Group's normal business practices and policies which are not more favourable to the Related Parties than those generally available to the public, and are not to the detriment of the minority shareholders, as follows:-

- (a) A list of Related Parties shall be circulated to the operating divisions and subsidiaries, for their reference in ensuring that all transactions with such Related Parties are undertaken on arm's length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public. These include transacting at the prevailing market rates/prices of the service or product provider's usual commercial terms (including, where appropriate, preferential rates and discounts accorded for bulk purchases which are the same as those accorded for third-party bulk purchases), or otherwise in accordance with applicable industry norms.
- (b) Details of the Related Parties are to be collated and updated twice yearly and they will be distributed to all accountants in the DRB-HICOM Group for monitoring purposes to enable the Company to assess whether the RRPT warrant any announcement and/or shareholders' approval in a timely manner. At the same time, the Group Internal Audit & Integrity Division will conduct reviews on RRPT at various operating companies during their course of audit.
- (c) The Company will maintain a record of RRPTs carried out pursuant to the Proposed Shareholders' Mandate. The Board Audit Committee ("BAC") will review the said record on a quarterly basis to ensure that they are within the mandated amount. Additionally, other RRPTs entered into by the DRB-HICOM Group with related parties that are outside the shareholders' mandate, are also to be reviewed.

At least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, where possible, to determine whether the price and terms offered to/by the Related Party are fair and reasonable and comparable to those offered to/by the public for the same or substantially similar type of products/services and/or quantities. Where quotations or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be determined by the DRB-HICOM Group based on its usual business practices to ensure that the RRPT is not detrimental to the DRB-HICOM Group and minority shareholders.

- (d) The annual internal audit plan shall incorporate a review of all RRPTs entered into to ensure that relevant approvals have been obtained and the review procedures in respect of such transactions are adhered to.
- (e) Should the BAC during its review form an opinion that any RRPTs are not being conducted in accordance with established terms and procedures and/or are not being conducted on an arm's length basis and on normal commercial terms or are detrimental to the interest of minority shareholders, it shall advise the Board and the Board shall then deliberate on an appropriate course of action to take.
- (f) There are no specific thresholds for approval of RRPTs within the Group. However, all RRPTs are subject to the approval of appropriate levels of authority set by the operating divisions.
- (g) The Board and the BAC shall continue to review the procedures as and when required, with the authority to delegate to individuals or committees within the Company as they deem appropriate.
- (h) All procurement to be undertaken by the Group are subject to relevant procurement processes under the Group Procurement Policy ("GPP").

The Board may at its discretion, adopts new review and disclosure procedures and/or amends the existing procedures to ensure that the RRPTs are at all times consistent with the Group's usual business practices and policies.

Further, where any Director has an interest (direct or indirect) in any related party transaction, such Director shall abstain from deliberation and voting on the matter. Where any member of the Board Audit Committee is interested in any transaction, that member shall abstain from deliberation and voting on any matter relating to any decision to be taken by the Board Audit Committee in respect of such transaction. Pursuant to Practice Note 12 of the MMLR, in a meeting to obtain the Proposed Shareholders' Mandate, the interested Director, the interested Major Shareholder or the Person Connected with a Director or Major Shareholder; and where it involves the interest of an interested person connected with a Director or Major Shareholder, such Director or Major Shareholder shall abstain from voting on the resolution approving the RRPTs. An interested Director or interested Major Shareholder must also ensure that the Person Connected with such Director or Major Shareholder shall abstain from voting on the resolution approving the transactions. Interested Directors shall also abstain from deliberating at board meetings in respect of the RRPTs in which they are interested. Disclosure will be made in the Annual Report 2022 on the aggregate value of transactions transacted during the financial year where the aggregate value is equal to or exceeds the applicable prescribed threshold under Paragraph 10.09(1) of MMLR. Shareholders' approval will be sought for the renewal of such mandate at subsequent AGM subject to a satisfactory review by the Board Audit Committee of its continued application to the RRPTs.

### **2.2.5 Excluded Transactions**

Transactions with any Related Party, which do not fall within the ambit of the Proposed Shareholders' Mandate will be subject to other applicable provisions of MMLR, CA 2016 and/or any applicable law.



### 2.3 Statement by the BAC

The BAC of DRB-HICOM has considered the Review of Procedures mentioned in Section 2.2.4 above and is of the view that the Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner, to ensure that all RRPTs will be undertaken on an arm's length basis and made in the ordinary course of business on terms which are not more favourable to the related parties than those generally available to the public, and are not detrimental to the minority shareholders of the Company.

A review of the RRPTs procedures and processes by the BAC is carried out through internal audits conducted on the Group companies.

### 2.4 Rationale and Benefits of the Proposed Shareholders' Mandate

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

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

### 2.5 Interest of Directors, Major Shareholders and Persons Connected with them

Save as disclosed below, none of the Directors, Major Shareholders nor Persons Connected with them, have any interest, direct or indirect, in the Proposed Shareholders' Mandate:-

- (a) TSSM is an indirect Major Shareholder of the Company via his 90% shareholding in Etika Strategi, which in turn holds 55.92% equity interest in the Company as at the LPD;
- (b) Etika Strategi is a direct Major Shareholder of the Company via its 55.92% equity interest in the Company as at the LPD. TSSM holds 90% equity interest in Etika Strategi whilst the remaining 10% equity interest is held by his spouse, Puan Sri Sharifah Zarah binti Syed Kechik.

The interested Major Shareholders, namely TSSM and Etika Strategi will abstain from voting on the resolution approving the Proposed Shareholders' Mandate at the forthcoming AGM of the Company in respect of their direct and/or indirect shareholdings, if any.

The interested Major Shareholders named above have undertaken that they will ensure that the Persons Connected with them will abstain from voting on the resolution approving the Proposed Shareholders' Mandate at the forthcoming AGM of the Company in respect of their direct and/or indirect shareholdings, if any.

The shareholdings of the interested Major Shareholders in the Company as at the LPD are as follows:-

	Direct		Indirect	
	No. of DRB-HICOM Shares	%	No. of DRB-HICOM Shares	%
Etika Strategi	1,081,061,741	55.92	-	-
TSSM	-	-	1,081,061,741	55.92 <sup>1</sup>

Note: <sup>1</sup>Deemed interested by virtue of his interest in Etika Strategi pursuant to Section 8 of the CA 2016.

## 2.6 Approval Required

The Proposed Shareholders' Mandate is subject to the approval of the shareholders of the Company at the Company's forthcoming 33rd AGM.

## 2.7 Mandated RRPTs which have exceeded 10% of the estimated value of transaction as disclosed in the Circular to Shareholders of the preceding year

There were no Mandated RRPTs which have exceeded 10% of the estimated value of transactions as disclosed in the Circular to Shareholders of the preceding year.

## 2.8 Amounts Due and Owing to the DRB-HICOM Group by the Transacting Related Parties Pursuant to the RRPTs

The amount due and owing to the DRB-HICOM Group by the transacting related parties as at 31 December 2022 pursuant to the RRPTs which have exceeded the credit term are as follows:-

	Transacting related party	Nature of Recurrent Related Party Transaction ("RRPT")	Outstanding RRPT Receivables as at 31 December 2022 (which exceeded the credit term)	Outstanding RRPT Receivables as at 31 December 2022 which exceeded the credit term for the following periods:-			
				One year or less	More than one to three years	More than three to five years	More than five years
				RM'000	RM'000	RM'000	RM'000
EON Group	Tradewinds Plantation Group	Supply of motor vehicles, accessories, spare parts, and maintenance services as well as leasing of motor vehicles by EON Group to Tradewinds Plantation Group	10,522	10,095	427	-	-
EON Group	MMC Group	Supply of motor vehicles, accessories, spare parts and maintenance services by EON Group to MMC Group	398	398	-	-	-
DRB-HICOM Group	MMC Group	Supply and leasing of machineries, motor vehicles including accessories, spare parts as well as maintenance services and bins by DRB-HICOM Group to MMC Group	282	282	-	-	-

The Management is actively meeting and negotiating with the debtors for prompt settlement of the aforesaid outstanding amount including continuously following-up with reminder letters and if necessary, to stop transacting with the related parties if the debts remain unsettled within a given timeline. However, the Board is confident that the outstanding amount is recoverable as the related parties are long term business partners and have sound credit standing.

### **3. FINANCIAL EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE**

The Proposed Shareholders' Mandate does not have any effect on the share capital of the Company and will not have any financial effect on the earnings or the net tangible assets of the DRB-HICOM Group.

### **4. DIRECTORS' STATEMENT AND RECOMMENDATION**

Having considered the rationale and benefits of the Proposed Shareholders' Mandate and after careful deliberation, the Directors are of the opinion that the Proposed Shareholders' Mandate is in the best interest of the DRB-HICOM Group.

Accordingly, the Directors recommend that the shareholders vote in favour of the resolution on the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM of the Company.

### **5. AGM**

The 33rd AGM of the Company will be held virtually from Training Hall, Level 6, Wisma DRB-HICOM, No. 2, Jalan Usahawan U1/8, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan as the Broadcast Venue and via the meeting platform at <https://meeting.boardroomlimited.my> on Monday, 29 May 2023 at 10.30 a.m., for the purpose of considering and, if deemed fit, amongst others, passing the ordinary resolution, as Special Business to give effect to the Proposed Shareholders' Mandate.

The voting of the 33rd AGM will be conducted by poll. If you are unable to participate at the AGM, please complete, sign and return the Form of Proxy in accordance with the instructions therein to the Share Registrar of the Company, Boardroom Share Registrars Sdn Bhd, at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan or alternatively, the Form of Proxy can be deposited electronically through the Share Registrar's website, Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> no later than Saturday, 27 May 2023 at 10.30 a.m. Please refer to the Administrative Guide for further details.

The completion and lodging of the Form of Proxy will not preclude you from participating and voting in person at the AGM should you subsequently decide to do so and in such event, your Form of Proxy shall be deemed to have been revoked.

### **6. FURTHER INFORMATION**

Shareholders are advised to refer to the attached Appendices for further information.

Yours faithfully,  
For and on behalf of the Board of Directors of  
**DRB-HICOM BERHAD**

**DATO' IBRAHIM TAIB**  
Senior Independent Non-Executive Director

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## APPENDIX I

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### FURTHER INFORMATION

#### 1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been reviewed and approved by the Directors of DRB-HICOM and they collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after making all reasonable inquiries, to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which could make any statement herein false or misleading.

#### 2. MATERIAL CONTRACTS

As at the LPD, there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the DRB-HICOM Group within two (2) years immediately preceding the date of this Circular.

#### 3. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

Save as disclosed below, neither DRB-HICOM nor its subsidiaries have engaged in any material litigation, claims or arbitration, either as a plaintiff or defendant, and, the Board of DRB-HICOM has no knowledge of any proceedings pending or threatened against DRB-HICOM or its subsidiaries or of any material facts likely to give rise to any proceedings which might materially and adversely affect the position or the business of the DRB-HICOM or its subsidiary companies:-

Civil Complaint by Goldstar Heavy Industrial Co., Ltd. against PROTON Automobiles (China) Ltd. and Perusahaan Otomobil Nasional Sdn Bhd at Guangdong High People's Court

On 14 January 2019, Proton Automobiles (China) Ltd. ("PACL") was served with a Civil Complaint, filed at the Guangdong High People's Court ("GHC"), by Goldstar Heavy Industrial Co., Ltd. ("Goldstar"), involving PACL and Perusahaan Otomobil Nasional Sdn. Bhd. ("PONSB") as Defendants. PACL is a wholly-owned subsidiary company of PONSB and PONSB is a wholly-owned subsidiary company of PROTON Holdings Berhad ("PHB") which in turn is a 50.10% owned subsidiary company of DRB-HICOM Berhad ("Company").

Goldstar is claiming, inter alia, the sum of Renminbi ("RMB") 860,613,418 (equivalent to RM522,908,713 based on Bank Negara Exchange Rate as at 17 January 2019 of RMB1: RM0.6076). The claims arose as a result of the Equity Joint Venture Contract ("EJVC") dated 17 April 2015, entered into between PHB, Lotus Group International Limited ("LGIL") and Goldstar on the establishment of a joint venture company named Goldstar Lotus Automobile Co., Ltd. ("GLAC"); and its termination on 22 January 2018, amongst others. The said termination had been announced to Bursa Malaysia Securities Berhad on 23 January 2018.

The purpose of the EJVC was to form a joint venture company to produce and sell LOTUS branded passenger cars, engines, parts and components, accessories and to provide after-sales services (including spare parts) in connection with its products in the People's Republic of China.

GLAC has not yet commenced its business operations due to Goldstar's breach of its sole material obligation under the EJVC to obtain the required manufacturing licence. The deadline to obtain the manufacturing licence pursuant to the EJVC was originally 25 September 2017. This was subsequently extended to 31 December 2017. Pursuant to the EJVC, failure to obtain the said manufacturing licence within the agreed timeframe entitles either party to terminate the EJVC.

On the advice of appointed lawyers, as one of the steps to defend the claims and to ensure that the rights of the Company are protected, PONSB filed a Jurisdiction Opposition Notice ("JON") on 4 April 2019 to oppose GHC's jurisdiction to hear the Civil Complaint. The main reason for filing the JON is that the Joint Venture Contract entered into between Goldstar and PACL dated 17 June

2002 (“2002 JVC”) had been subsequently terminated by a termination agreement entered into by Goldstar, PACL and PONS B on 3 September 2013 (as supplemented and amended by a supplemental termination agreement dated 23 April 2014 and a second supplemental termination agreement dated 17 April 2015) (collectively the “TA”). The TA constitutes the full and final settlement of all previous disputes between the parties, and in this regard, the dispute resolution clause in the TA provides that all disputes relating to the TA should be submitted to arbitration in Hong Kong.

On 27 August 2019, GHC issued a ruling which held that it had jurisdiction over Goldstar’s claims (“Ruling”) and PONS B’s jurisdictional challenge was dismissed. On 26 September 2019, PONS B filed an appeal against the Ruling to the Supreme People’s Court in Beijing (“SPC”). The Hearing of the appeal was heard online on 7 July 2020 and both parties submitted their written submissions on 17 July 2020. On 5 November 2020, the Company had been notified by its appointed lawyers that the SPC had allowed PONS B’s appeal, upheld PONS B’s jurisdictional challenge and dismissed the earlier Ruling made by the GHC in favour of Goldstar. The SPC is of the view that the GHC has no jurisdiction to hear the case filed at the GHC. The proceedings at the GHC with respect to Goldstar’s claims against PACL and PONS B for, inter alia, the sum of Renminbi (RMB) 860,613,418 (equivalent to RM522,908,713 based on Bank Negara Exchange Rate as at 17 January 2019 of RMB1: RM0.6076) will cease. As the matter has been decided by the SPC, the GHC legal suit is therefore dismissed with immediate effect.

The Company had taken the following steps to defend the claims as countermeasures:

- (i) Arbitration Proceedings under the Termination Agreement (“TA”) at the Hong Kong International Arbitration Centre (“HKIAC”)

In order to exercise its rights under the TA and as a corollary of challenging the GHC proceedings and pursuant to the dispute resolution clause in the TA which emphasised that disputes between parties should be settled by way of arbitration, the main reliefs sought are, declarations that:

- (a) the TA constitutes a full and final settlement of all issues and disputes under the 2002 JVC and its related agreements;
- (b) all existing, future and accrued rights and obligations of the parties pertaining to the 2002 JVC and its related agreements have ceased; and
- (c) the TA was affirmed by Goldstar with the execution of the EJVC.

The hearings, fixed on 22 February 2021 until 25 February 2021 in relation to the above Arbitration Proceedings before a single arbitrator, had proceeded as scheduled and had been duly completed. On 11 August 2021, the Tribunal of the Arbitration Proceedings made its decision and granted an Award in favour of PONS B and PACL. The said Tribunal had granted the Award, consisting of *inter alia*, the following declarations:

- (a) That the TA is valid and is a full and final settlement of all issues and disputes under the 2002 JVC according to the terms of the TA;
- (b) That the 2002 JVC had been terminated upon execution of the TA, whereupon all existing, future and accrued rights and obligations of the parties pertaining thereto have ceased and have no further effect;
- (c) That the TA was affirmed by Goldstar with its entry into the EJVC.

- (ii) Arbitration Proceedings under the EJVC at the HKIAC

Pursuant to the dispute resolution clause in the EJVC which emphasised that disputes between parties should be settled by way of arbitration, the main reliefs sought are, declarations that:

- (a) the EJVC has been validly and effectively terminated; and
- (b) Goldstar has failed to perform its obligations under the EJVC, thus making it impossible for the EJVC to continue operation.

The hearings fixed on 3 March 2021 until 12 March 2021 in relation to the above Arbitration Proceedings before three arbitrators have proceeded as scheduled and had been duly completed. On 7 March 2022, the Company received from the Tribunal of the Arbitration Proceedings an Award in favour of PHB and LGIL. The said Tribunal had granted the Award, consisting of *inter alia*, the following declarations:

- (a) That the EJVC had been validly terminated on 22 February 2018;
- (b) That PHB and LGIL may under the EJVC call upon Goldstar to cause its appointed Directors of GLAC to approve the termination of the EJVC and the dissolution of GLAC at a duly called Board meeting of GLAC.

On 11 July 2022, Goldstar served an Originating Summons on PHB and LGIL applying for an Order to set aside the Award at the High Court of Hong Kong (“High Court”). The High Court has fixed both Goldstar’s application to set aside the Award and PHB’s and LGIL’s application to strike out Goldstar’s application for hearing on 15 February 2023.

On 15 February 2023, Goldstar’s application for an Order to set aside the Award has been dismissed with costs on indemnity basis by the High Court. In view of this, the striking out application by PHB and LGIL has been considered as unnecessary and consequently the High Court made no order on the same. Following the decision of the High Court, the Award issued by the Tribunal of the Arbitration Proceedings in favour of PHB and LGIL, which had been received by the Company on 7 March 2022, therefore remains valid and effective.

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

Copies of the following documents will be made available for inspection during normal business hours at the Registered Office of DRB-HICOM at Level 5, Wisma DRB-HICOM, No. 2, Jalan Usahawan U1/8, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan, from the date of this Circular up to the date of the forthcoming 33rd AGM:-

- (i) Constitution of DRB-HICOM;
- (ii) Audited consolidated financial statements of DRB-HICOM for the past two financial year ended 31 December 2021 and 31 December 2022; and
- (iii) Relevant cause papers in respect of material litigation, claims and arbitration referred to in Section 3 above.

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## APPENDIX II

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### EXTRACT OF THE NOTICE OF THE 33RD AGM IN RELATION TO THE PROPOSED SHAREHOLDERS' MANDATE

#### SPECIAL BUSINESS

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

Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate") (Resolution 8)

"THAT in accordance with Paragraph 10.09 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), and subject to the Companies Act 2016 ("CA 2016"), the Constitution of the Company, other applicable laws, guidelines, rules and regulations, and the approvals of the relevant governmental and/or regulatory authorities, approval be hereby given to the Company and its subsidiary companies (collectively "DRB-HICOM Group") to enter into any of the recurrent related party transactions ("RRPTs") of a revenue or trading nature as set out in Section 2.2.3 of the Circular to Shareholders dated 28 April 2023, which are necessary for the day-to-day operations in the ordinary course of business of the DRB-HICOM Group, on normal commercial terms, which are not more favourable to the related parties than those generally available to the public, undertaken on an arm's length basis, and are not detrimental to the minority shareholders of the Company ("Shareholders' Mandate");

THAT the Shareholders' Mandate shall continue to be in force until:

- (a) the conclusion of the next AGM of the Company, at which time the authority will lapse, unless the authority is renewed by a resolution passed at such general meeting;
- (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the CA 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the CA 2016); or
- (c) the Shareholders' Mandate is revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting;

whichever is the earlier;

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

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