

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

If you are in any doubt about the course of action to be taken, you should consult your Stockbroker, Bank Manager, Solicitor, Accountant or other professional advisers immediately.

Bursa Malaysia Securities Berhad ("Bursa Securities") has not perused this Circular prior to its issuance as it is an exempt document pursuant to Paragraph 2.1 of Practice Note 18 of the Main Market Listing Requirements of Bursa Securities.

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**SELANGOR PROPERTIES BERHAD**

(Co. No. 5199-X)

(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS  
in relation to:**

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

An extract of the Notice convening the Fifty-Sixth Annual General Meeting ("AGM") of our Company to be held at Banquet Hall, 1<sup>st</sup> Floor, TPC Kuala Lumpur (Kuala Lumpur Golf & Country Club Berhad), 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur on Wednesday, 28 February 2018 at 10.00 a.m. is set out in this Circular.

A Form of Proxy is enclosed in the Annual Report of our Company and if you are unable to attend the AGM, you are urged to complete and deposit the Form of Proxy at the Share Registrar's Office of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia on or before the date and time indicated below or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : 26 February 2018 at 10.00 a.m.

Date and time of the AGM : 28 February 2018 at 10.00 a.m.

**This Circular is dated 6 February 2018**

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In this Circular, unless otherwise stated, the following abbreviations shall have the following meanings:-

“Act”	: Companies Act 2016, as amended from time to time
“AGM”	: Annual General Meeting
“ARMC”	: Audit and Risk Management Committee
“AUD”	: Australian Dollar
“Board”	: Board of Directors of SPB
“Bursa Securities”	: Bursa Malaysia Securities Berhad (635998-W)
“Circular”	: This circular to the shareholders of SPB dated 6 February 2018
“Director(s)”	: Has 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 6 months of the date on which the terms of the transaction were agreed upon a director of SPB (or its subsidiary or holding company) or a chief executive of SPB (or its subsidiary or holding company)
“HPL”	: Hawaiian Pty. Ltd.
“Kayin Holdings”	: Kayin Holdings Sdn. Berhad (6215-D)
“Kayin (M)”	: Kayin (M) Sdn Bhd (1007257-U)
“Listing Requirements”	: Main Market Listing Requirements of Bursa Securities including any amendments to the Main Market Listing Requirements that may be made from time to time
“Member/Members”	: Any person for the time being holding shares in the Company and whose name appears in the register (except Bursa Malaysia Depository Nominees Sdn Bhd) including depositors whose names appear on the Record of Depositors
“Major Shareholder(s)”	: A person who has an interest or interests in one or more voting shares in our Company and the number or aggregate number of voting shares, is 10% or more of the total number of voting shares in our Company; or 5% or more of the total number of voting shares in our Company where such person is the largest shareholder of our Company. For the purpose of this definition, “interest” shall have the meaning of “interest in shares” given in Section 8 of the Act and 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 SPB (or any other company which is its subsidiary or holding company)
“Proposed Renewal of Shareholders’ Mandate” or “Proposed Shareholders’ Mandate”	: Proposed renewal of the existing shareholders’ mandate for RRPTs

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“RPT” or “Related party transactions”	: A transaction entered into by our Company or subsidiaries which involves the interest, direct or indirect, of a related party
“RRPTs” or “Recurrent Transactions”	: Recurrent related party transactions of a revenue or trading nature, which are necessary for day to day operations and are in the ordinary course of business of our Group
“Recurrent RPT Mandate”	: Shareholders’ Mandate granted on 28 February 2017 for our Group to enter into Recurrent Transactions in the ordinary course of business which are necessary for our Group’s day to day operations
“Related Party(ies)”	: A Director, Major Shareholders and/or persons connected with such Directors or Major Shareholders (all as defined in the Listing Requirements)
“RM” and “sen”	: Ringgit Malaysia and sen accordingly
“SPB” or “our Company”	: Selangor Properties Berhad (5199-X)
“SPBA”	: SPB (Australia) Pty Ltd
“SPBD”	: SPB Developments Pty Ltd
“our Group” or “the SPB Group”	: Selangor Properties Berhad and its subsidiaries

Words importing the singular only shall include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.

All references to the time of day in this Circular are references to Malaysian time.

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**SELANGOR PROPERTIES BERHAD**

(Company No.: 5199-X)  
(Incorporated in Malaysia)

**Registered Office:**

Lot 6.05, Level 6, KPMG Tower  
8 First Avenue, Bandar Utama  
47800 Petaling Jaya  
Selangor Darul Ehsan

**Date:**

6 February 2018

**BOARD OF DIRECTORS:**

Mr Wen Chiu Chi (*Executive Chairman*)  
Dato' Zaibedah Binti Ahmad (*Independent Non-Executive Director*)  
Mr Ong Liang Win (*Independent Non-Executive Director*)  
Madam Marcia Kok Suet Ling (*Independent Non-Executive Director*)

**To: The Shareholders of SPB**

Dear Sir/Madam

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

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**1. INTRODUCTION**

On 28 February 2017, our Company obtained a general mandate from our shareholders for our Company and/or the subsidiaries to enter into RRPTs with Related Parties in the ordinary course of business based on commercial terms which are not more favourable to the Related Parties than those generally available to the public which are necessary for the SPB Group's day to day operations.

The said general mandate for RRPTs shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming AGM for year 2018 unless authority for its renewal is obtained from the shareholders of our Company at the forthcoming AGM.

On 27 December 2017, the Board of our Company announced that our Company proposed to seek a renewal of the general mandate for the RRPTs which are necessary for the day-to-day operations and are in the ordinary course of business, which our Group may from time to time enter into.

The purpose of this Circular is to provide you with the relevant information on the Proposed Renewal of Shareholders' Mandate and to seek your approval for the ordinary resolution to be tabled at the forthcoming Fifty-Sixth ("56<sup>th</sup>") AGM of our Company under the Agenda of Special Business, the Notice of which is set out in the Annual Report of our Company for the financial year ended 31 October 2017 accompanying this Circular.

**WE ADVISE YOU TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE ATTACHED APPENDIX BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS' MANDATE AT OUR FORTHCOMING AGM.**

## 2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE

### 2.1 Paragraph 10.09 of Chapter 10 of the Listing Requirements of Bursa Securities

Pursuant to Paragraph 10.09 Part E of Chapter 10 of the Listing Requirements, we may seek shareholders' mandate for related party transactions involving our recurrent transactions of a revenue or trading nature which are necessary for day-to-day operations, subject to the following:-

- i) The transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- ii) The shareholders' mandate is subject to annual renewal and disclosure is made in our annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under subparagraph 10.09(1) of the Listing Requirements;
- iii) The interested directors, interested major shareholders or interested persons connected with a director or major shareholder and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution to approve the transactions. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions;
- iv) The transactions are conducted on normal commercial terms;
- v) The transactions are not detrimental to the minority shareholders; and
- vi) The transactions are conducted on arm's length basis.

Where a listed issuer has obtained such a mandate, the requirements of Paragraph 10.08 of the Listing Requirements shall not apply to the recurrent transactions which are comprised in the mandate. This means, during the period of validity of the mandate, the obligation to make immediate disclosure, as well as the obligation to procure shareholders' approval shall not apply to the recurrent transactions which are comprised in the mandate.

It is anticipated that companies within the SPB Group would, in the ordinary course of business, enter into RRPTs with the parties stated in Section 2.3 as mentioned below, the nature of which are further detailed in Section 2.4 below. It is likely that such transactions will occur with some degree of frequency and could arise at any time.

Our Company has obtained the approval of the shareholders to enter into RRPTs at the previous AGM of our Company held on 28 February 2017 pursuant to Paragraph 10.09 of the Listing Requirements.

In compliance with Paragraph 10.09 of the Listing Requirements, our Company now propose to seek the approval of the shareholders for the proposed renewal of the Recurrent RPT Mandate to renew the mandate granted on 28 February 2017 which will apply to the RRPTs as set out in Section 2.4 below. Such RRPTs will be subject to the review procedures as set out in Section 2.7 below.

The Proposed Renewal of Shareholders' Mandate, if approved at the forthcoming AGM, will continue to be in force until:

- i) the conclusion of the next AGM of our Company following our forthcoming AGM at which the Proposed Renewal of Shareholders' Mandate is approved, at which time it will lapse, unless by a resolution passed at the meeting, the authority is again renewed;
- ii) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or

iii) revoked or varied by resolutions passed by our shareholders in a general meeting,

whichever is the earlier.

Our Company will disclose the aggregate value of the RRPTs conducted during a financial year in the annual report for the said financial year.

## 2.2 Principal Activities of the SPB Group

Our principal activities consist of property investment, provision of related services and investment holding.

The principal activities of our subsidiary companies which are in operation, incorporated in Malaysia, the British Virgin Islands and Australia, are broadly categorised under the following business sectors:-

- a) Investment holding;
- b) Property investment; and
- c) Property development.

## 2.3 Class of Recurrent Related Party Transactions

The Proposed Renewal of Shareholders' Mandate will apply to transactions with the following Related Parties (with their principal activities and relationship with SPB detailed below):-

No.	Company	Principal Activities	Interested Director/Major Shareholder/ Person(s) connected to them
1.	SPBD	Investment holding	a) Puan Sri Datin Chook Yew Chong Wen* b) Wen Chiu Chi* c) Wen Ming Kang* d) Kayin Holdings* e) Kayin (M)*
2.	SPBA	Investment holding	a) Puan Sri Datin Chook Yew Chong Wen* b) Wen Chiu Chi* c) Wen Ming Kang* d) Kayin Holdings* e) Kayin (M)*

Note :

\* Please refer to Section 2.5 of the Circular on the relationship with Related Parties.

## 2.4 Nature of Recurrent Related Party Transactions

The Proposed Renewal of Shareholders' Mandate will enable our Group to undertake the following RRPTs (shown with their respective estimated value per annum):

No.	Company	Transacting party	Types of Recurrent Transactions	Estimated value during the validity period of mandate (AUD)	Actual value transacted from 28 February 2017 to latest practicable date on 5 January 2018 (AUD) (A)	Estimated value as disclosed in the Circular to Shareholders dated 28 February 2017 (AUD) (B)	Reasons for deviation where (A) exceeds (B) by 10% or more
1.	SPBD	HPL*	Provision of property management services to the SPB Group's properties and assets in Australia	120,000	69,000	120,000	N/A
2.	SPBA	HPL*	Provision of property management services to the SPB Group's properties and assets in Australia	1,300,000	869,000	1,300,000	N/A

**Notes:**

*The estimated transaction values of the RRPTs during the validity period of mandate as set out above are for the period from the conclusion of the forthcoming AGM of our Company until the conclusion of the next AGM of our Company. The estimated transaction value during the validity period of mandate is arrived based on past records of our Group for similar transactions and the actual amount transacted may vary.*

\* For HPL, please refer to Section 2.5 (3) of the Circular on the relationship with the Related Parties.

## 2.5 Relationship with the Related Parties

1. SPBD was incorporated in Australia and is a wholly-owned subsidiary of SPB International Holdings Ltd. SPB International Holdings Ltd is a wholly-owned subsidiary of Friendly Target Sdn Bhd, which in turn is a wholly-owned subsidiary of SPB.
2. SPBA was incorporated in Australia and is a wholly-owned subsidiary of Friendly Target Sdn Bhd, which in turn is a wholly-owned subsidiary of SPB.



3. Puan Sri Datin Chook Yew Chong Wen is a former Director of SPB. She is deemed interested in Kayin Holdings, the holding company of SPB, by virtue of Kayin (M), which holds 100% of the shares in Kayin Holdings. The entire paid-up share capital of Kayin (M) is collectively controlled by trusts settled by Puan Sri Datin Chook Yew Chong Wen for herself being the primary beneficiary and for her family members. By virtue thereof, Puan Sri Datin Chook Yew Chong Wen is deemed to have an indirect interest of 234,447,236 shares or 68.23% of SPB and thus, is deemed interested in the shares of SPBD and SPBA as well. She does not have any direct shareholding in SPB.

Puan Sri Datin Chook Yew Chong Wen has an indirect equity interest of 100% in HPL. HPL was incorporated in Australia on 5 November 1993 with an issued and paid-up share capital of AUD20,000.00 consisting of 20,000 ordinary shares of AUD1.00 each. The principal activity of HPL is provision of management services.

The directors of HPL are Mr Russell John Gibbs, Mr Damian Philip Gordon and Ms Kathleen Jessica O'Hara. HPL has established a business relationship with the SPB Group for a period of more than ten years.

4. Mr Wen Chiu Chi is a Director of SPB, SPBD and SPBA. He holds 71,247 shares of SPB representing a direct 0.02% equity interest in SPB. He is connected to Puan Sri Datin Chook Yew Chong Wen by virtue of their family relationship with each other<sup>(6)</sup>.
5. Mr Wen Ming Kang is connected to the directors of SPB, namely Puan Sri Datin Chook Yew Chong Wen and Mr Wen Chiu Chi by virtue of their family relationships with each other<sup>(6)</sup>.

6. (a) The family relationships are as follows:-

Mother	: Puan Sri Datin Chook Yew Chong Wen
Sons	: Mr Wen Chiu Chi
	: Mr Wen Ming Kang

- (b) The relationship between the major shareholders, Kayin Holdings and Kayin (M), the interested Directors and Mr Wen Ming Kang is as follows:-

Puan Sri Datin Chook Yew Chong Wen, Mr Wen Chiu Chi and Mr Wen Ming Kang are the Directors of Kayin Holdings and Kayin (M).

- (c) Puan Sri Datin Chook Yew Chong Wen is deemed interested in Kayin Holdings and Kayin (M). Her indirect interest in Kayin Holdings and Kayin (M) are as follows:-

<u>Kayin Holdings</u>	<u>Direct (No. of Shares)</u>	<u>Indirect (No. of Shares)</u>	<u>%</u>
Puan Sri Datin Chook Yew Chong Wen*	-	20,220,000	100

<u>Kayin (M)</u>	<u>Direct (No. of Shares)</u>	<u>Indirect (No. of Shares)</u>	<u>%</u>
Puan Sri Datin Chook Yew Chong Wen*	-	2,000	100

\* Deemed interested by virtue of her indirect interest in Kayin Holdings, the holding company of our Company, via Kayin (M), which holds 100% of the shares in Kayin Holdings. The entire paid-up share capital of Kayin (M) are collectively controlled by trusts settled by Puan Sri Datin Chook Yew Chong Wen for herself being the primary beneficiary and for her family members. As such, Kayin Holdings and Kayin (M) are also deemed as corporations connected to Puan Sri Datin Chook Yew Chong Wen.

7. The services provided by HPL to the SPB's Australian subsidiaries, namely SPBD and SPBA encompass the following:-
- a) project management, asset management, managing joint venture interests, preparation of development and investment proposals;
  - b) sourcing for tenants for the properties, supervision of property management staffs and meeting statutory requirements;
  - c) corporate and financial management services such as provision of administration and management of the SPB Group's interests in relation to the SPB Group's properties in Australia;
  - d) sourcing of debt financing;
  - e) sourcing investment opportunities; and
  - f) accounting and corporate administration services

The project management and asset management services provided by HPL to SPBD and SPBA include the following properties in Australia:-

<u>Location</u>	<u>Description</u>
i) Claremont Quarter, Western Australia	Shopping centre
ii) 7 Bayview Terrace, Claremont, Western Australia	Two-storey retail shop

Puan Sri Datin Chook Yew Chong Wen being the former director of SPB, is interested in the Proposed Renewal of Shareholders' Mandate by virtue of her interests in all of the transactions detailed above. Mr Wen Chiu Chi who is also a Director of SPB and Mr Wen Ming Kang are interested in the Proposed Renewal of Shareholders' Mandate by virtue of their family relationships with each other<sup>(6)</sup>.

## **2.6 Amount due from the Related Parties**

There is no amount due and owing to the Company by its related party pursuant to the RRPT for the financial year ended 31 October 2017.

## **2.7 Review Procedures for the Recurrent Transactions**

We have established the following procedures and guidelines to ensure that such RRPTs are undertaken on an arm's length basis and on normal commercial terms that 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. The following disclosures and review procedures have been progressively established to ascertain on the degree of pricing transactions, level of services as well as the quality of product delivered by the related party:-

- a) Records of RRPTs shall be made available to the auditors and ARMC for review.
- b) The review by management shall incorporate a review on all RRPTs entered into to ensure relevant approvals have been obtained prior to commitment and all relevant guidelines and procedures are being adhered to.

- c) The review by management shall also include the process of determination of transaction prices and terms and conditions for the RRPT to ensure that the transactions are based on prices which are competitive in comparison with the prevailing market prices, and on terms and conditions that are similar to the commercial terms for transaction with the public, which depend on the demand and supply of the products and services.

Wherever practical and/or feasible, at least 2 other contemporaneous transactions with unrelated third parties for similar products/services will be used as comparison, to determine whether the price and terms offered to/by the related 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.

In the event that quotation or comparative pricing from unrelated third parties cannot be obtained (for instance, for transactions where it is vital that confidentiality is maintained or the nature of the scope of works involve multiple service providers) then the transaction price will be reviewed and determined by the Directors who has no interest in the transaction to ensure that the RRPTs are not detrimental to the group.

- d) All RRPTs will be reviewed by our management and ARMC and noted/approved by the Directors of the Company who has no interest in the transaction and if required, recommended to the shareholders for approval, pursuant to Listing Requirements of Bursa Securities.
- e) If a member of the ARMC or Board or persons connected to him/her has an interest (direct or indirect) in any RRPT, he/she shall abstain from any deliberation and decision making by the Board or ARMC in respect of that transaction.
- f) Disclosure will be made in our Company's annual report on the breakdown of the aggregate value of transactions made pursuant to the shareholders' mandate during the financial year and in the annual reports for the subsequent financial years during which a shareholders' mandate is in force based on the following information:-
  - i) the type of transactions made; and
  - ii) the names of the Related Parties involved in each type of transactions made and their relationship with our Company.
- g) Any member of our ARMC may as he/she deems fit, request for additional information pertaining to recurrent related party transactions from independent sources or advisers.

## **2.8 ARMC Statement**

Our ARMC has reviewed the terms of the Proposed Renewal of Shareholders' Mandate and is satisfied that the review procedures for RRPTs are sufficient to ensure that such related party transactions will be carried out on normal commercial terms which are not prejudicial to the interests of shareholders and that the terms of the RRPTs are not more favourable to the related party than those generally available to the public and the RRPTs are not detrimental to the minority shareholders of our Company.

In addition, our ARMC is of the opinion that the SPB Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner. Our ARMC shall also have the discretion to request for limits to be imposed or for additional procedures to be followed if it considers such a request to be appropriate. In that event, such limits or procedures may be implemented without the approval of shareholders, provided that they are more stringent than the existing limits or procedures. The ARMC will review these procedures and processes on a yearly basis or whenever the need arises with the authority to sub-delegate such function to individuals or committees within the Group as it deems appropriate.

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

#### **3.1 Rationale and Benefits**

The RRPTs undertaken within our Group, which relates to the provision of project management and asset management services to SPB's Australian subsidiaries, namely SPBD and SPBA, by the related party, are mainly to support the SPB Group's daily operations in managing our properties in Australia.

The related party is able to provide integrated property management services to our Group in managing our properties/assets in Australia as stated in Section 2.5 (7) above. Our Board is of the view that the close working relationship with the related party in managing our Group's properties in Australia will ensure the interest of our Group will be given priority by the related party.

The RRPTs entered or to be entered into by our Group are all in the ordinary course of business. They are recurring transactions of revenue and trading nature, which are likely to occur with some degree of frequency and arise from time to time. These transactions may be constrained by the time sensitive nature and confidentiality of such transactions and it may be impractical to seek shareholders' approval on a case-to-case basis before entering into such RPTs.

Therefore, our Board is seeking a shareholders' mandate pursuant to Paragraph 10.09 of Chapter 10 of the Listing Requirements to allow our Group to enter into such RRPTs with the related party, provided that they are carried out on arm's length basis and our Group's normal commercial terms and not prejudicial to the shareholders and are on terms not more favourable to the related party than those generally available to the public and are not to the detriment of the minority shareholders.

The Proposed Renewal of Shareholders' Mandate would also reduce substantial administrative time, inconvenience and expenses of having to frequently convene a separate general meeting for approval of each transaction while still maintaining the objective of informing shareholders on the extent of related party transaction occurring within our Group.

The RRPTs entered into by our Group as detailed in Section 2.4 above have been entered into in the interest of our Company.

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

The Proposed Renewal of Shareholders' Mandate will not have any effect on the issued share capital, earnings, substantial shareholders' shareholding, Directors' shareholding, dividends and net assets of our Group.

### **5. APPROVAL REQUIRED**

The Proposed Renewal of Shareholders' Mandate is subject to approval being obtained from the shareholders of our Company at the forthcoming AGM.

## 6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS AS AT 5 JANUARY 2018

Save as disclosed in this Circular and below, none of our Directors, Major Shareholders and/or persons connected to them have any interest, direct or indirect, in the Proposed Renewal of Shareholders' Mandate.

Shareholders	Direct		Indirect	
	No. of shares in SPB	%	No. of shares in SPB	%
<b>Interested Directors</b>				
Puan Sri Datin Chook Yew Chong Wen <sup>(#)</sup>	Nil	Nil	234,447,236 <sup>(1)</sup>	68.23
Mr Wen Chiu Chi <sup>(2)</sup>	71,247	0.02	Nil	Nil
<b>Persons Connected</b>				
Mr Wen Ming Kang <sup>(3)</sup>	Nil	Nil	Nil	Nil
<b>Major Shareholder</b>				
Kayin Holdings	234,447,236	68.23	Nil	Nil
Kayin (M) <sup>(1)</sup>	Nil	Nil	234,447,236 <sup>(1)</sup>	68.23

### Notes:

- (#) Puan Sri Datin Chook Yew Chong Wen is a former Non-Independent Executive Director and Chairperson of SPB, retired on 27 December 2017.
- (1) Deemed interested in Kayin Holdings Sdn. Berhad, the holding company of our Company, by virtue of Kayin (M), which holds 100% of the shares in Kayin Holdings. The entire paid-up share capital of Kayin (M) is collectively controlled by trusts settled by Puan Sri Datin Chook Yew Chong Wen for herself being the primary beneficiary and for her family members.
- (2) Deemed interested by virtue of his family relationship with Puan Sri Datin Chook Yew Chong Wen (i.e son of Puan Sri Datin Chook Yew Chong Wen).
- (3) Deemed interested by virtue of his family relationship with Puan Sri Datin Chook Yew Chong Wen (i.e son of Puan Sri Datin Chook Yew Chong Wen) and Mr Wen Chiu Chi (i.e brother of Mr Wen Chiu Chi).

The interested Directors are Puan Sri Datin Chook Yew Chong Wen and Mr Wen Chiu Chi. These Directors have abstained and shall continue to abstain from deliberating and voting on the resolution in respect of the Proposed Renewal of Shareholders' Mandate at the relevant Board meetings, as well as from voting in respect of their direct and indirect shareholdings in our Company, if any, on the resolution relating to the Proposed Renewal of Shareholders' Mandate at the forthcoming AGM.

The interested Major Shareholders, Kayin Holdings and Kayin (M) will abstain from voting in respect of their direct and indirect shareholdings in our Company, if any, on the resolution relating to the Proposed Renewal of Shareholders' Mandate at the forthcoming of AGM.

The interested Directors and interested Major Shareholders have undertaken that they shall ensure that the persons connected to them will abstain from voting on the resolution or deliberating on the resolution relating to the Proposed Renewal of Shareholders' Mandate at the forthcoming AGM.

## 7. **DIRECTORS' RECOMMENDATION**

Our Board (with exception of the interested Directors, who have abstained from giving opinion in respect of the proposed Renewal of Shareholders' Mandate) having considered all aspects of the Proposed Renewal of Shareholders' Mandate, is of the opinion that the Proposed Renewal of Shareholders' Mandate is in the best interest of our Company. Accordingly, our Board (with exception of the interested Directors, who have abstained and will continue to abstain from Board deliberations and voting in respect of the RRPTs) recommends that you vote in favour of the resolution relating to the Proposed Renewal of Shareholders' Mandate to be tabled at the forthcoming AGM.

## 8. **AGM**

The ordinary resolution in respect of the Proposed Renewal of Shareholders' Mandate is set out as Special Business in the Notice of AGM contained in our Company's Annual Report for the financial year ended 31 October 2017, which is being sent to you together with this Circular. The 56<sup>th</sup> AGM will be held at Banquet Hall, 1<sup>st</sup> Floor, TPC Kuala Lumpur (Kuala Lumpur Golf & Country Club Berhad), 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur on Wednesday, 28 February 2018 at 10.00 a.m.

If you are unable to attend and vote in person at the forthcoming AGM, you should complete and return the Form of Proxy enclosed in the 2017 Annual Report in accordance with the instructions therein as soon as possible and in any event so as to arrive at the Share Registrar's Office of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia not later than 48 hours before the time for holding the AGM or any adjournment thereof.

The completion and return of the Form of Proxy does not preclude you from attending and voting in person at the AGM should you subsequently wish to do so, but if you do, your proxy shall be precluded from attending the AGM.

## 9. **FURTHER INFORMATION**

We request that you refer to the appendix for further information.

Yours faithfully,  
For and on behalf of the Board of Directors of  
**SELANGOR PROPERTIES BERHAD**

**Ong Liang Win**  
Independent Non-Executive Director

FURTHER INFORMATION

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**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 given and confirm that, after making all reasonable enquiries, to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

**2) MATERIAL CONTRACTS**

As at the date of this Circular, neither SPB nor SPB's subsidiaries have entered into any contracts which are or may be material (not being contracts entered into in the ordinary course of business of SPB and/or any of its subsidiaries) within the past two (2) years immediately preceding the date of this Circular.

**3) MATERIAL LITIGATION, CLAIM AND ARBITRATION**

As at the date of this Circular, neither SPB nor SPB's subsidiaries are engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, which may have a material effect on our Company's financial position, and our Directors are not aware of any proceedings, pending or threatened against our Group or of any facts likely to give rise to any proceedings which may materially and adversely affect our financial position or business.

**4) DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents or copies of them are available for inspection at our registered office at Lot 6.05, Level 6, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor during normal business hours from Mondays to Fridays (excluding public holidays) from the date of this Circular to the date of the forthcoming AGM:-

- i) Our Memorandum and Articles of Association; and
- ii) Our audited consolidated financial statements for the two (2) financial years ended 31 October 2016 and 31 October 2017 (the latest unaudited quarterly results for the period ended 31 January 2018 is not available yet).

**SELANGOR PROPERTIES BERHAD**

(Company No.: 5199-X)  
(Incorporated in Malaysia)

**EXTRACT OF NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the 56<sup>th</sup> AGM of the Company will be convened and held at Banquet Hall, 1<sup>st</sup> Floor, TPC Kuala Lumpur (Kuala Lumpur Golf & Country Club Berhad), 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur on Wednesday, 28 February 2018 at 10.00 a.m. to transact the following businesses:-

**ORDINARY RESOLUTION 9**

**Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

THAT, the Mandate granted by the shareholders of the Company at the AGM held on 28 February 2017 pursuant to Paragraph 10.09 of the Listing Requirements of Bursa Securities, authorising the SPB Group to enter into the recurrent transactions of a revenue or trading nature as set out in Section 2.4 of the Circular to Shareholders dated 6 February 2018 ("Circular") with the related parties mentioned therein which are necessary for the SPB Group's day-to-day operations, be and is hereby renewed;

AND THAT the scope of such renewed mandate be and is hereby extended to apply to the recurrent transactions likewise of revenue or trading nature as set out in Section 2.4 of the Circular.

THAT the SPB Group be and is hereby authorised to enter into the recurrent transactions with the related parties mentioned therein provided that:-

- a) the transactions are in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company; and
- b) the disclosure of the aggregate value of the transactions concluded during a financial year will be disclosed in the Annual Report for the said financial year.

THAT authority conferred by such renewed mandate will continue to be in force until:

- i) the conclusion of the next AGM of SPB following the forthcoming AGM at which the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature is approved, at which time it will lapse, unless by a resolution(s) passed at the AGM, the authority is again renewed;
- ii) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but must not extend to such extensions as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- iii) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to this resolution.

**BY ORDER OF THE BOARD**

**TAI YIT CHAN (MAICSA 7009143)**  
**CHOONG LEE WAH (MAICSA 7019418)**  
**Company Secretaries**

Selangor Darul Ehsan

Date: 6 February 2018



## NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies as his/her proxy or proxies to attend and vote in his/her stead. Where a member appoints two (2) proxies, the member shall specify the proportion of the member's shareholding to be represented by each proxy.
2. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
3. A proxy need not be a member of the Company and a member may appoint any person to be his/her proxy without limitation.
4. The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or, if such appointor is a corporation under its common seal, or the hand of its attorney or duly authorised officer or in some other manner approved by the Directors. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Share Registrar's Office of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia not less than forty-eight (48) hours before the time for holding of the meeting or any adjournment thereof.
5. In respect of deposited securities, only members whose names appear on the Record of Depositors on 21 February 2018 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.
6. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of the 56<sup>th</sup> AGM will be put to vote by way of poll.

## Explanatory Notes

7. Ordinary Resolution 9 on Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The Ordinary Resolution 9, if passed, will allow the SPB Group to enter into recurrent related party transactions in the ordinary course of business and the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such recurrent related party transactions occur would not arise. This would reduce substantial administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the corporate objectives of the SPB Group or adversely affecting the business opportunities available to the SPB Group. The shareholders' mandate is subject to renewal on an annual basis.

## Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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