

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

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

The Notice of the Annual General Meeting (“AGM”) and the Proxy Form are set out in the Annual Report 2016 of the Company thereof. The AGM will be held at Banquet Hall, Menara Korporat, Persada PLUS, Persimpangan Bertingkat Subang, KM15, Lebuhraya Baru Lembah Klang, 47301 Petaling Jaya, Selangor Darul Ehsan on Thursday, 18 May 2017 at 10.00 a.m. or at any adjournment thereof.

The Proxy Form must be completed and lodged with UEM Sunrise Berhad’s share registrar, Symphony Share Registrars Sdn Bhd, Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, not less than 24 hours before the time of holding the AGM. The lodging of the Proxy Form will not preclude you from attending and voting in person at the meeting if you are able to do so.

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



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

(Company No. 830144-W)  
(Incorporated in Malaysia under the Companies Act 2016)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO:-**

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

**(To be read together with the Ordinary Resolutions 7 and 8 in the Notice of the AGM of UEMS as set out in the Company’s Annual Report 2016)**

Last date and time for lodging the Proxy Form	:	17 May 2017, 10.00 a.m.
Date and time of the AGM	:	18 May 2017, 10.00 a.m.

**This Circular is dated 26 April 2017**

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## DEFINITIONS

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

Act	: Companies Act 2016
AGM	: Annual General Meeting of UEMS
Audit Committee	: Audit Committee of UEMS
Axiata	: Axiata Group Berhad, a 37.57% associate company of Khazanah
Board	: Board of Directors of UEMS
Bursa Securities	: Bursa Malaysia Securities Berhad
Circular	: This circular dated 26 April 2017 in relation to the Proposed Mandates
CMSA	: Capital Markets and Services Act 2007
Director	: (a) A director of our Company or our subsidiary and shall have the same meaning as given in Section 2(1) of the CMSA; and  (b) For the purposes of the Proposed Mandates, includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, our director as referred to in paragraph (a) above or chief executive officer of our Company or our subsidiary or holding company
edotco	: edotco Malaysia Sdn Bhd, a wholly-owned subsidiary of edotco Group Sdn Bhd, which in turn is a 69.88% subsidiary of Axiata. Khazanah also holds directly a minority equity stake in edotco Group Sdn Bhd
ETC	: Edmund Tie & Company Sdn Bhd (formerly known as DTZ Debenham Tie Leung (M) Sdn Bhd)
Khazanah	: Khazanah Nasional Berhad, our ultimate holding company
Khazanah Group	: Khazanah and/or its subsidiaries
Khazanah Group Joint Venture Companies	: The entities over which Khazanah Group have joint control of the arrangement and rights to the net assets of such arrangement. The entities include Nusajaya Premier Sdn Bhd, Nusajaya Lifestyle Sdn Bhd, Desaru South Course Residences Sdn Bhd, Desaru North Course Residences Sdn Bhd, Desaru South Course Land Sdn Bhd and M+S Pte Ltd. Save and except for M+S Pte Ltd, all the other abovementioned entities are also joint venture companies of the UEMS Group
KPK	: KPK Quantity Surveyors (Semenanjung) Sdn Bhd
Listing Requirements	: Main Market Listing Requirements of Bursa Securities
LPD	: 31 March 2017, being the latest practicable date prior to the printing of this Circular
Major Shareholder	: (a) A person who has an interest or interests in one or more of the voting shares in our Company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is:-  (i) 10% or more of the aggregate of the nominal amounts of all the voting shares in our Company; or

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## DEFINITIONS

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- (ii) 5% or more of the aggregate of the nominal amounts of all the voting shares in that company where such person is the largest shareholder of our Company.

For the purpose of this definition, “interest in shares” shall have the meaning given in Section 8(4) of the Act; and

- (b) For the purposes of the Proposed Mandates, includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of our Company, our subsidiary or our holding company as referred to in paragraph (a) above

- NTL Group : Nawawi Tie Leung Group comprising:-
- (a) ETC;
  - (b) NTLR; and
  - (c) NTLP
- NTLP : Nawawi Tie Leung Property Consultants Sdn Bhd (formerly known as DTZ Nawawi Tie Leung Property Consultants Sdn Bhd)
- NTLR : Nawawi Tie Leung Real Estate Consultants Sdn Bhd (formerly known as DTZ Nawawi Tie Leung Sdn Bhd)
- Person(s) Connected : In relation to a Director or Major Shareholder, means, such person who falls under any one of the following categories:-
- (a) a family member of the Director or Major Shareholder;
  - (b) a trustee of a trust (other than a trustee for an employee share scheme or pension scheme) under which the Director or Major Shareholder or a family member of the Director or Major Shareholder, is the sole beneficiary;
  - (c) a partner of the Director or Major Shareholder or a partner of a person connected with that Director or Major Shareholder;
  - (d) a person who is accustomed or under an obligation, whether formal or informal to act under the directions, instructions or wishes of that Director or Major Shareholder;
  - (e) a person under whose, directions, instructions or wishes the Director or Major Shareholder is accustomed or is under an obligation, whether formal or informal to act;
  - (f) a body corporate or its directors which / who is / are accustomed or under an obligation, whether formal or informal, to act under the directions, instructions or wishes of the Director or Major Shareholder;
  - (g) a body corporate or its directors whose directions, instructions or wishes the Director or Major Shareholder is accustomed or under an obligation, whether formal or informal, to act;
  - (h) a body corporate in which the Director or Major Shareholder, or persons connected with him are entitled to exercise, or control the exercise of, not less than 15% of the votes attached to voting shares

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## DEFINITIONS

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	in the body corporate; or
	(i) a body corporate which is a related corporation
Proposed Mandates	: Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate
Proposed New Shareholders' Mandate	: Proposed new shareholders' mandate for additional RRPT as set out in Section 2.3 of this Circular
Proposed Renewal of Shareholders' Mandate	: Proposed renewal of shareholders' mandate for RRPT as set out in Section 2.2 of this Circular
Related Party	: A Director or Major Shareholder of our Company and Persons Connected with such Director or Major Shareholder as defined under the Listing Requirements, and "Related Parties" shall be construed accordingly
RM and sen	: Ringgit Malaysia and sen respectively
RPT	: Related party transaction entered into by our Company or its subsidiaries which involves the interest, direct or indirect, of a Related Party
RRPT	: Recurrent related party transactions of a revenue or trading nature
Southern Marina	: Southern Marina Development Sdn Bhd, a 30.00% associate company of Tanjung Bidara Ventures Sdn Bhd, which in turn is a wholly-owned subsidiary of Khazanah
TM	: Telekom Malaysia Berhad, a 26.21% associate company of Khazanah
TM Group	: TM and/or its subsidiaries
UEMG	: UEM Group Berhad, our immediate holding company
UEMG Group	: UEMG and/or its subsidiaries
UEM Edgenta	: UEM Edgenta Berhad, a 69.14% subsidiary company of UEMG
UEM Edgenta Group	: UEM Edgenta and/or its subsidiaries
UEM Land	: UEM Land Berhad, a wholly-owned subsidiary of our Company
UEMS or Company	: UEM Sunrise Berhad
Validity Period	: The date from the forthcoming AGM until the next AGM which will be held by 30 June 2018

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## **PRESENTATION OF INFORMATION**

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All references to “**our Company**” or “**UEMS**” in this Circular are to UEM Sunrise Berhad, and references to “**our Group**” or “**UEMS Group**” are to our Company, our consolidated subsidiaries and associated companies. References to “**we**”, “**us**”, “**our**” and “**ourselves**” are to our Company and, where the context otherwise requires, our consolidated subsidiaries and associated companies. All references to “**you**” in this Circular are the shareholders of our Company.

Unless specifically referred to, words denoting the singular shall, if applicable, include the plural and vice versa and words denoting the masculine gender shall, if applicable, include the feminine and/or neuter genders and vice versa. References to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to the provisions of any enactment, statute, rules, regulation, rules of stock exchange or guideline shall (when the context admits) be construed as a reference to the provisions of such enactment, statute, rules, regulation, rules of stock exchange or guideline (as the case may be) as modified by any written law or (if applicable) amendments to the enactment, statute, rules, regulation, rules of stock exchange or guideline for the time being in force.

Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated.

Certain amounts and percentage figures included herein have been subject to rounding adjustments. Any discrepancies in the tables included in this Circular between the amounts listed, actual figures and the totals thereof, are due to rounding.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by our Board after due inquiry, which are nevertheless subject to known or unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from anticipated results, performance or achievements expressed or implied in such forward-looking statements. Hence, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that our Company’s plans and objectives will be achieved.

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A member of **UEM Group**

## **UEM SUNRISE BERHAD**

(Company No. 830144-W)

(Incorporated in Malaysia under the Companies Act 2016)

Registered Office:

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

26 April 2017

Directors:-

Tan Sri Dr Ir Ahmad Tajuddin Ali (*Non-Independent Non-Executive Chairman*)

Anwar Syahrin Abdul Ajib (*Managing Director / Chief Executive Officer*)

Dato' Izzaddin Idris (*Non-Independent Non-Executive Director*)

Zaida Khalida Shaari (*Non-Independent Non-Executive Director*)

Dato' Srikandan Kanagaintiram (*Senior Independent Non-Executive Director*)

Lim Tian Huat (*Independent Non-Executive Director*)

Professor Philip Sutton Cox (*Independent Non-Executive Director*)

Ungku Suseelawati Ungku Omar (*Independent Non-Executive Director*)

Subimal Sen Gupta (*Independent Non-Executive Director*)

**To: The Shareholders of UEMS**

Dear Sir/Madam,

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

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### **1. INTRODUCTION**

At our Company's 8<sup>th</sup> AGM held on 23 May 2016, the Company had obtained a shareholders' mandate for our Group to enter into RRPT which are necessary for our Group's day-to-day operations and which are in the ordinary course of business and on terms that are not more favourable to the Related Parties than those generally available to the public ("**2016 Shareholders' Mandate**").

The 2016 Shareholders' Mandate shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming AGM, unless the authority for its renewal is obtained from our shareholders at the forthcoming AGM.

In addition to the renewal of the 2016 Shareholders' Mandate, our Company will also be seeking a shareholders' mandate for our Group to enter into new RRPT with Related Parties.

On 16 March 2017, our Company announced that we propose to seek our shareholders' approval for the Proposed Mandates at the forthcoming AGM.

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

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

- 1.2 the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- 1.3 revoked or varied by resolution passed by the shareholders at a general meeting,

whichever is the earlier.

The purpose of this Circular is to provide you with details on the Proposed Mandates, together with the Board's recommendation thereon and also to seek your approval for the resolutions in respect of the Proposed Mandates to be tabled at the forthcoming AGM, the notices of which have been set out in the Notice of 9<sup>th</sup> AGM in the Company's Annual Report 2016.

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

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

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

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

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

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

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

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

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

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

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

As at the financial year ended 31 December 2016, UEMS Group has no outstanding amount due and owing by the Related Parties arising from RRPT which exceeded the credit term.

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

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

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



whether the price and terms offered to/by related third parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities. Where quotations or comparative pricing from unrelated parties cannot be obtained, the pricing of any RRPT entered into will be determined based on prevailing market rates under usual commercial terms, business practices and policies or otherwise in accordance with other applicable industry norms/consideration and are not to the detriment of minority shareholders;

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

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

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

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

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

- 5.2 The Proposed Mandates will enable our Group to carry out recurrent routine transactions necessary for day-to-day operations, which are time-sensitive in nature, and will eliminate the need to announce and to convene separate general meetings on each occasion to seek prior approval of our shareholders for the RRPT.
- 5.3 The Proposed Mandates will substantially reduce expenses associated with the convening of general meetings on ad hoc basis, improve administrative efficiency and allow human resources and time to be channelled towards attaining other corporate objectives.

## 6. EFFECTS OF THE PROPOSED MANDATES

The Proposed Mandates will not have any effect on our issued and paid-up share capital and is not expected to have any material effect on the net assets and gearing of our Group for the financial year ending 31 December 2017.

## 7. APPROVAL REQUIRED

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

## 8. MAJOR SHAREHOLDERS' AND DIRECTORS' INTERESTS

### 8.1 Major Shareholders' Interests

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

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

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

Note:-

(a) Deemed interested by virtue of its interest in UEMG pursuant to Section 8 of the Act.

### 8.2 Directors' Interests

Tan Sri Dr Ir Ahmad Tajuddin Ali and Dato' Izzaddin Idris are Directors of both UEMG and UEMS. Dato' Izzaddin Idris is also a Director of UEM Edgenta. Dato' Srikandan Kanagaintiram is the Managing Director and a substantial shareholder of KPK and a Director of UEMS. Ungku Suseelawati Ungku Omar is a substantial shareholder and director of ETC, a substantial shareholder of NTLR, has other interest in NTLR and a Director of UEMS. Zaida Khalida Shaari is a nominee of Khazanah on the Board.

All Directors are deemed interested in the RRPT listed under Item 1B(3) of **Appendix I** of this Circular as the transacting Related Parties cannot be ascertained as at the date of this Circular and they have abstained and will continue to abstain from deliberating and voting in respect of their interests, direct or indirect, at all respective Board and Audit Committee meetings of UEMS in respect of the RRPT listed under Item 1B(3) of **Appendix I** of this Circular.

Tan Sri Dr Ir Ahmad Tajuddin Ali, Dato' Izzaddin Idris, Zaida Khalida Shaari and Dato' Srikandan Kanagainthiram are deemed interested in the respective RRPT between our Group and the respective transacting parties in which they hold directorships and/or interest and they have abstained and will continue to abstain from deliberation and voting in respect of their interests, direct or indirect, at all respective Board and Audit Committee meetings of our Company in respect of the Proposed Renewal of Shareholders' Mandate.

Tan Sri Dr Ir Ahmad Tajuddin Ali, Dato' Izzaddin Idris, Zaida Khalida Shaari and Ungku Suseelawati Ungku Omar are deemed interested in the respective RRPT between our Group and the respective transacting parties in which they hold directorships and/or interest and they have abstained and will continue to abstain from deliberation and voting in respect of their interest, direct or indirect, at all respective Board meetings of our Company in respect of the Proposed New Shareholders' Mandate.

Our Directors who are deemed interested in the RRPT will abstain from voting in respect of their interests direct or indirect and have also undertaken to ensure that the Persons Connected with them will abstain from voting in respect of their interests, direct or indirect on the resolutions approving the Proposed Mandates to be tabled at the forthcoming AGM.

According to the Register of Directors' Shareholdings as at the LPD, the shareholdings of the Directors who are deemed interested in the RRPT in UEMS are as follows:-

	----- Direct -----		----- Indirect -----	
	No. of ordinary shares	%	No. of ordinary shares	%
Anwar Syahrin Abdul Ajib	100,000	@	-	-

Note:-

@ Less than 0.01%.

Save as disclosed above, none of the other Directors who are deemed interested in the RRPT have any shareholding, direct and indirect, in UEMS.

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

## 9. DIRECTORS' RECOMMENDATION

Our Board has abstained from making an opinion and any recommendation on the entry into the RRPT as disclosed under Item 1B(3) of **Appendix I** of this Circular to be tabled at the forthcoming AGM.

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

## 10. AGM

10.1 Our 9<sup>th</sup> AGM, the Notice and Proxy Form of which are set out in the Company's Annual Report 2016, will be held at Banquet Hall, Menara Korporat, Persada PLUS, Persimpangan Bertingkat Subang, KM15, Lebuhraya Baru Lembah Klang, 47301 Petaling Jaya, Selangor Darul Ehsan on Thursday, 18 May 2017 at 10.00 a.m. and at any adjournment thereof, for the purpose of considering and if thought fit, passing the ordinary resolutions to give effect to the Proposed Mandates.

10.2 If you are unable to attend and to vote at the AGM, you are requested to complete, sign and return the enclosed Proxy Form in accordance with the instructions printed on it, so as to arrive at our Share Registrar's office, Symphony Share Registrars Sdn Bhd, Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not less than 24 hours before the time set for convening of the 9<sup>th</sup> AGM. The lodgement of the Proxy Form will not preclude you from attending and voting in person should you wish to do so.

**11. ADDITIONAL INFORMATION**

Please refer to the attached **Appendix II** for additional information.

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

**ANWAR SYAHRIN ABDUL AJIB**  
Managing Director / Chief Executive Officer

**APPENDIX I**

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

Item	Transacting Related Party	Interested Major Shareholders/ Directors and Persons Connected with them	Nature of relationship as at the LPD	Nature of RRPT	2016 Shareholders' Mandate		Estimated value during the Validity Period <sup>2</sup>
					Estimated Value as disclosed in the circular dated 29 April 2016 (RM)	Actual Value <sup>1</sup> (RM)	
1.	UEMG Group	Khazanah, UEMG, Tan Sri Dr Ir Ahmad Tajuddin Ali, Dato' Izzaddin Idris and Zaida Khalida Shaari	UEMS is a 66.06% subsidiary of UEMG which in turn is a wholly-owned subsidiary of Khazanah	<p>Receipt of group wide ICT shared services</p> <p>Receipt of training and corporate advisory services</p> <p>Renting of office space<sup>3</sup>, meeting rooms and other facilities</p> <p>Renting of parking space<sup>3</sup></p> <p>Receipt of electricity and air-conditioning facilities</p>	550,000	162,994	9,540,000
					4,000,000	594,780	4,223,190
					6,800,000	5,639,612	6,701,400
					35,000	33,200	32,400
					120,000	61,260	120,000
				<b>Total</b>	<b>11,505,000</b>	<b>6,491,846</b>	<b>20,616,990</b>
2.	UEM Edgenta Group	Khazanah, UEMG, Tan Sri Dr Ir Ahmad Tajuddin Ali, Dato' Izzaddin Idris and Zaida Khalida Shaari	UEM Edgenta is a 69.14% subsidiary company of UEMG. UEMS is a 66.06% subsidiary of UEMG	<p>Receipt of consultation, facilities management and maintenance services</p> <p>Receipt of office cleaning, pest control services and rental of potted plants</p>	13,900,000	551,616	21,362,000
					15,000	12,351	153,000
				<b>Total</b>	<b>13,915,000</b>	<b>563,967</b>	<b>21,515,000</b>

Item	Transacting Related Party	Interested Major Shareholders/ Directors and Persons Connected with them	Nature of relationship as at the LPD	Nature of RRPT	2016 Shareholders' Mandate		Estimated value during the Validity Period <sup>2</sup> (RM)
					Estimated Value as disclosed in the circular dated 29 April 2016 (RM)	Actual Value <sup>1</sup> (RM)	
3.	Khazanah Group	UEMG Group, Tan Sri Dr Ir Ahmad Tajuddin Ali, Dato' Izzaddin Idris and Zaida Khalida Shaari	UEMS is a 66.06% subsidiary of UEMG which in turn is a wholly-owned subsidiary of Khazanah	Acquisition of land or land based properties in the ordinary course of business	- <sup>4</sup>	- <sup>4</sup>	- <sup>4</sup>
4.	TM Group	Khazanah and Zaida Khalida Shaari	TM is a 26.21% associate company of Khazanah which in turn is our ultimate holding company	Receipt of UniFi bundling services Receipt of smart building services Receipt of ICT support services	4,500,000 9,600,000 220,000	9,324 1,819,692 176,332	2,650,000 10,200,000 392,200
				<b>Total</b>	<b>14,320,000</b>	<b>2,005,348</b>	<b>13,242,200</b>
5.	KPK	Dato' Srikandan Kanagainthiram	Dato' Srikandan Kanagainthiram is the Managing Director and a substantial shareholder of KPK and a Director of UEMS	Receipt of consulting services	3,000,000	253,350	3,000,000
				<b>Total</b>	<b>3,000,000</b>	<b>253,350</b>	<b>3,000,000</b>

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

Item	Transacting Related Party	Interested Major Shareholders/ Directors and Persons Connected with them	Nature of relationship as at the LPD	Nature of RRPT	2016 Shareholders' Mandate		Estimated value during the Validity Period <sup>2</sup> (RM)
					Estimated Value as disclosed in the circular dated 29 April 2016 (RM)	Actual Value <sup>1</sup> (RM)	
1.	UEMG Group	Khazanah, UEMG, Tan Sri Dr Ir Ahmad Tajuddin Ali, Dato' Izzaddin Idris and Zaida Khalida Shaari	UEMS is a 66.06% subsidiary of UEMG which in turn is a wholly-owned subsidiary of Khazanah	Provision for tenancy of land for batching plant, casting yard and worker's quarters <sup>3</sup>	550,000	355,630	388,000
				<b>Total</b>	<b>550,000</b>	<b>355,630</b>	<b>388,000</b>
2.	Khazanah Group	UEMG Group, Tan Sri Dr Ir Ahmad Tajuddin Ali, Dato' Izzaddin Idris and Zaida Khalida Shaari	UEMS is a 66.06% subsidiary of UEMG which in turn is a wholly-owned subsidiary of Khazanah	Provision of development and management services Disposal of land or land based properties in the ordinary course of business	32,200,000	12,897,791 <sup>5</sup>	0 <sup>6</sup>
				<b>Total</b>	<b>32,200,000</b>	<b>12,897,791</b>	<b>24,000,000</b>
3.	Directors and/or Major Shareholders of UEMS and Persons Connected with them	Directors and/or Major Shareholders of UEMS and Persons Connected with them	n/a	Sale of land and/or land based properties by UEMS Group	- <sup>7</sup>	77,000	- <sup>7</sup>
				<b>Total</b>	<b>-</b>	<b>77,000</b>	<b>-</b>

Item	Transacting Related Party	Interested Major Shareholders/ Directors and Persons Connected with them	Nature of relationship as at the LPD	Nature of RRPPT	2016 Shareholders' Mandate		Estimated value during the Validity Period <sup>2</sup> (RM)
					Estimated Value as disclosed in the circular dated 29 April 2016 (RM)	Actual Value <sup>1</sup> (RM)	
4.	edotco	Khazanah and Zaida Khalida Shaari	edotco is a wholly-owned subsidiary of edotco Group Sdn Bhd, which in turn is a 69.88% subsidiary of Axiata. Khazanah also holds directly a minority equity stake in edotco Group Sdn Bhd	Provision of land tenancy for mobile network infrastructure	600,000	87,450	95,400
				<b>Total</b>	<b>600,000</b>	<b>87,450</b>	<b>95,400</b>
5.	Southern Marina	Khazanah and Zaida Khalida Shaari	Southern Marina is a 30.00% associate company of Tanjung Bidara Ventures Sdn Bhd, which in turn is a wholly-owned subsidiary of Khazanah	Provision of land tenancy for show gallery / site-office	200,000	164,724	190,800
				<b>Total</b>	<b>200,000</b>	<b>164,724</b>	<b>190,800</b>

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

Item	Transacting Related Party	Interested Major Shareholders/ Directors and Persons Connected with them	Nature of relationship as at the LPD	Nature of RRPT	Estimated value during the Validity Period <sup>2</sup> (RM)
1.	Khazanah Group Joint Venture Companies	UEMG Group, Tan Sri Dr Ir Ahmad Tajuddin Ali, Dato' Izzaddin Idris and Zaida Khalida Shaari	UEMS is a 66.06% subsidiary of UEMG which in turn is a wholly-owned subsidiary of Khazanah	Provision of development and management services Renting of flagship property gallery <sup>3</sup> Renting of space for events	24,000,000 1,245,000 66,000
<b>Total</b>				<b>Total</b>	<b>25,311,000</b>
2.	NTL Group <sup>8</sup>	Ungku Suseelawati Ungku Omar	Ungku Suseelawati Ungku Omar is a substantial shareholder and director of ETC, a substantial shareholder of NTLR, has other interest in NTLP and a Director of UEMS	Receipt of consulting services	500,000
<b>Total</b>				<b>Total</b>	<b>500,000</b>

Notes:-

<sup>1</sup>The actual value represented RRPT transacted from the date on which the 2016 Shareholders' Mandate was obtained or granted up to LPD.

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

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

<sup>4</sup>Estimated values of the transaction relating to the acquisition/disposal (as the case may be) of land and/or land-based property ("Assets") cannot be ascertained given the various types of Assets that we may acquire / dispose (as the case may be) in the ordinary course of business of the UEMS Group, as we may deem appropriate for immediate / future development. However, in accordance with Section 3.3 of Practice Note 12 of the Listing Requirements, any one of the percentage ratios of each of the transaction is not more than 10%.

<sup>5</sup>The transacting parties set out in the 2016 Shareholders' Mandate were merely an indication and the actual transacting parties varied upon conclusion of the transactions. The transactions were entered into and concluded with the Khazanah Group Joint Venture Companies.

<sup>6</sup>There will be no further transactions with these Related Parties during the Validity Period.

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

<sup>8</sup> Shareholders' mandate for receipt of consulting services from NTLR was obtained under the 2016 Shareholders' Mandate with the estimated value for RM700,000. No transaction was entered into during the validity period for the 2016 Shareholders' Mandate.

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## APPENDIX II

### ADDITIONAL INFORMATION

#### 1. DIRECTORS' RESPONSIBILITY STATEMENT

Our Directors have seen and approved this Circular and they collectively and individually accept full responsibility for the accuracy of the information in this Circular. They confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no facts the omission of which would make any statement in this Circular misleading.

#### 2. MATERIAL LITIGATION

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

(i) **Notice of Civil Claim dated 26 October 2016 ("NOCC") filed at the Vancouver Registry of Supreme Court of British Columbia, Canada by Magnum Projects Ltd ("Magnum") against UEM Sunrise (Canada) Development Ltd ("USCDL") and UEM Sunrise (Canada) Alderbridge Ltd ("USCAL")**

On 4 November 2016, USCDL and USCAL, both of which are indirect wholly-owned subsidiaries of our Company, had been served with the NOCC filed at the Vancouver Registry of Supreme Court of British Columbia, Canada by Magnum. USCDL and USCAL have appointed solicitors to respond to the NOCC, which alleges breach of an Agency Agreement dated 27 March 2015 ("**Agreement**"), whereby Magnum had been appointed as the sole and exclusive agent for the purpose of selling market residential, non-market residential and strata office strata lots that were to be developed on certain lands and premises located in Canada at:-

- (a) 7960 Alderbridge Way, Richmond, British Columbia;
- (b) 5333 No. 3 Road, Richmond, British Columbia; and
- (c) 5411/5491 No. 3 Road, Richmond, British Columbia.

The principal relief sought in the NOCC is a declaration that USCDL and USCAL are jointly and severally liable to Magnum for damages on the basis of anticipatory breach, a declaration that USCDL and USCAL jointly and severally breached one or more of the terms of the Agreement and are liable to Magnum for damages of at least CAD15,139,284.33 (equivalent to RM47,385,959.95, based on an exchange rate of RM3.13 to CAD1.00 on 4 November 2016) ("**Claim**").

Based on the initial advice received from the solicitors, USCDL and USCAL believe that they have a good arguable case to the NOCC and will be vigorously defending it.

(ii) **Decision by the Federal Court in respect of Bandar Nusajaya Development Sdn Bhd's ("BND") additional assessment raised by the Inland Revenue Board ("IRB") for additional tax and penalty**

On 3 October 2011, BND, a major subsidiary of our Company which was held through its wholly-owned subsidiary, UEM Land, received a notice of additional assessment from the IRB for additional tax payable and tax penalty of RM50.9 million and RM22.9 million respectively in respect of the year of assessment 2006.

On 4 September 2012, the High Court of Kuala Lumpur ("**KLHC**") had granted leave to BND for its judicial review application to quash and set aside the notice of additional assessment. The KLHC ruled in favour of BND on the merit of the case and declared that the IRB had no legal basis to raise the additional tax assessment. Following the decision by the KLHC, the IRB had filed an appeal to the Court of Appeal ("**CoA**") against the decision made.

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

On 18 October 2016, the FC reversed the decisions of the CoA and the KLHC and ordered that BND should have appealed by way of filing a notice of appeal to the Special Commissioners of Income Tax. No reasons were provided by the FC in arriving at this conclusion. Such decision by the FC has resulted in the Form JA issued by the IRB dated 22 September 2011 totalling RM73.8 million to become due and payable within 30 days of which has been paid in full.

On 25 and 26 October 2016, BND has filed a notice of appeal (Form Q) (“**Form Q**”) to the IRB. The Form Q was rejected by the IRB on 25 and 26 October 2016 respectively. On 10 November 2016, BND filed a notice for extension of time to make an appeal to the Special Commissioners of Income Tax (Form N) (“**Form N**”). The Form N was rejected by the IRB on 8 February 2017. A judicial review application against the rejection of the Form Q was filed on 17 January 2017. Case management for the judicial review application was heard on 7 February 2017 and the next case management to set the hearing date has been fixed on 2 May 2017.

Our Company’s solicitors are of the view that BND has a good case to commence judicial review proceedings at the KLHC to contend that the IRB’s rejections of the Form Q and Form N are without any legal basis. In respect of the merit of the case, the Company’s solicitors are of the view that BND has a strong case to argue that the IRB has no legal or factual basis to issue the notice of additional assessment nor is there legal or factual basis for the IRB to impose the penalty.

### 3. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

#### 3.1 Capital commitments

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

	<b>RM million</b>
Approved and contracted for	4.7
Approved but not contracted for	493.6
<b>Total</b>	<u>498.3</u>

#### 3.2 Contingent liabilities

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

##### **Third party charge**

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

- (i) the issue of, offer for subscription or purchase of, or invitation to subscribe for or purchase of Islamic Securities of up to RM270.0 million nominal value by HHDSB, comprising:-
  - (a) up to 12-year Islamic Bank Guarantee Medium-Term Notes Programme of up to RM200.0 million nominal value under the principles of Murabahah (“**IMTN Programme**”); and
  - (b) up to 7-year Islamic Commercial Papers Programme of up to RM70.0 million nominal value under the principles of Murabahah; and

- (ii) a Kafalah (bank guarantee) facility of up to RM205.0 million to guarantee the nominal value of the IMTN Programme of up to RM200.0 million and one profit payment in respect of the IMTN Programme of up to RM5.0 million,

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

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

#### 4. MATERIAL CONTRACTS

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

- (i) a subscription agreement dated 17 September 2015 between UEMS and UEM Group for the issuance of redeemable convertible preference shares (“**RCPS**”) of up to RM793.0 million at the issue price of RM1.00 per share. This RCPS subscription agreement was completed on 30 October 2015;
- (ii) a joint venture and shareholders’ agreement dated 30 November 2015 between Edgenta Township Management Services Sdn Bhd and UEMS, for the collaboration in incorporation of a joint venture company for joint venture arrangement to offer integrated facilities management, estate management and stratified management services. This joint venture and shareholders’ agreement was completed on 9 December 2015;
- (iii) a conditional subscription and shareholders agreement dated 1 December 2015 between WCT Land Sdn Bhd, Sunrise Berhad and Jubilant Courtyard Sdn Bhd (“**JCSB**”), for the subscription of RM1,000,000.00 new ordinary shares at an agreed subscription price of RM214.9 per share and collaboration through JCSB as the special purpose incorporated joint venture company to develop ten (10) parcels of lands measuring an aggregate area of approximately 603.63 acres located in Mukim of Bandar Serendah, District of Ulu Selangor, Selangor. This subscription and shareholders agreement was rescinded on 30 June 2016;
- (iv) a joint venture cum shareholders’ agreement dated 16 February 2016 between UEM Land, Leisure Farm Corporation Sdn Bhd (“**LFC**”) and JV Axis Sdn Bhd (“**JVASB**”), for the joint venture on strategic joint development of thirty eight (38) parcels of freehold lands within Mukim Pulau, District of Johor Bahru, Johor Darul Takzim;
- (v) a conditional joint venture agreement dated 22 February 2016 between UEM Land and SUTL Marina Holdings Pte Ltd (“**SUTL**”) to establish a joint venture company with 40:60 for UEM Land: SUTL equity share to co-operate in incorporating, financing and operating a joint venture company in Malaysia for the purpose of carrying out development and businesses in Puteri Harbour, Iskandar Puteri;
- (vi) a conditional joint land development agreement dated 27 May 2016 between UEMS, Sunrise Quality Sdn Bhd (“**SQSB**”) and TM for the development of Lot 461 & Lot 463, Section 19, Bandar Kuala Lumpur, District of Kuala Lumpur measuring approximately 1.69 acres into a high rise mixed development project. TM shall provide the lands to SQSB free from encumbrances and in consideration SQSB agrees to pay TM a guaranteed land cost of RM150.0 million and 5% gross development value entitlement; and
- (vii) an agreement between UEM Sunrise (Canada) Alderbridge Ltd (“**UEMS Alderbridge**”) and 1107782 B.C Ltd for the disposal by UEMS Alderbridge of three (3) parcels of land within Section 5, Block 4 North, Range 6 West, New Westminster District for a total consideration of CAD\$113,000,000 (equivalent to RM372,572,300 based on an exchange rate of RM3.30 to CAD1.00 on 10 March 2017). This agreement came into effect on 13 March 2017.

**5. DOCUMENTS FOR INSPECTION**

Copies of the following documents are available for inspection at our registered office at 19-2, Mercu UEM, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur during normal business hours on Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the 9<sup>th</sup> AGM:-

- (i) Our constitution;
- (ii) Our audited financial statements for the past 2 financial years ended 31 December 2015 and 2016;
- (iii) Relevant cause papers for the material litigations referred to in Section 2 and 3 above; and
- (iv) Material contracts referred to in Section 4 above.

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