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SHH RESOURCES HOLDINGS BERHAD

Registration No: 199401018548 (304227-U)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

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

The notice of the Twenty-Seventh Annual General Meeting to be held entirely through live streaming from the broadcast venue at Level 12, Menara Symphony, No 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan on 30 November 2021 at 11.00 a.m. together with a Form of Proxy are enclosed with the 2021 Annual Report of the Company.

The Form of Proxy must be duly completed and deposited at the registered office of the Company at No. 2 (1st Floor), Jalan Marin, Taman Marin, Jalan Haji Abdullah, Sungai Abong, 84000 Muar, Johor Darul Takzim or submitted via email to agm2021@shh.com.my or lodged electronically via "Boardroom Smart Investor Portal" at <https://investor.boardroomlimited.com> not less than 24 hours before the time stipulated for holding the meeting or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from personally participating remotely and voting at the meeting should you subsequently wish to do so.

The last day and time for lodging the Form of Proxy is on 29 November 2021 at 11.00 a.m.

This Circular is dated 29 October 2021

DEFINITIONS

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

“AGM”	:	Annual General Meeting
“Act”	:	The Companies Act, 2016 as amended from time to time and any re-enactment thereof
“Board”	:	The Board of Directors of the Company
“Bursa Securities”	:	Bursa Malaysia Securities Berhad
“Constitution”	:	Constitution of the Company
“DHSB”	:	Deseng Hardware (M) Sdn Bhd, an associate company of the Company
“Director”	:	Shall have the meaning given in Section 2 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 relevant transaction were agreed upon, a director of the Company (or any other company which is its subsidiary or holding company or a subsidiary of its holding company); and “Directors” shall be construed accordingly
“Group”	:	SHH Resources Holdings Berhad and its subsidiaries
“KSSB”	:	Kurnia Sejati Sdn Bhd, a wholly-owned subsidiary of the Company
“Listing Requirements”	:	The Main Market Listing Requirements of Bursa Securities.
“Major Shareholders”	:	<p>Any person who is or was within the preceding 6 months of the date on which the terms of the relevant transaction were agreed upon who has an interest or interests in one or more voting shares in the Company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is:-</p> <p>a) equal to or more than 10% of the aggregate of the nominal amounts of all the voting shares in the Company; or</p> <p>b) equal to or more than 5% of the aggregate of the nominal amounts of all the voting shares in the Company where such person is the largest shareholder of the Company.</p> <p>For the purpose of this definition, “interest in shares” shall have the meaning given in Section 8 of the Act.</p>
“Proposed Shareholders’ Mandate”	:	Proposed shareholders’ mandate for the Group to enter into the classes of Recurrent Transactions in the

ordinary course of business as set out in Section 2.4 of this Circular with persons who are considered to be Related Parties

“RM” and “sen”	:	Ringgit Malaysia and sen respectively
“Recurrent Transactions”	:	Recurrent related party transactions of a revenue or trading nature which are entered into in the ordinary course of business and are necessary for the Group’s day-to-day operations, and are made at arms’ length, on the Company’s normal commercial terms and on terms not more favourable than those generally available to the public
“Related Party”	:	A Director, a Major Shareholder or a person connected with such Director or Major Shareholder of the Company; and “Related Parties” shall be construed accordingly
“SHH Furniture”	:	SHH Furniture Industries Sdn Bhd, a wholly-owned subsidiary of the Company
“SHH” or the “Company”	:	SHH Resources Holdings Berhad

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SHH RESOURCES HOLDINGS BERHAD

Registration No: 199401018548 (304227-U)
(Incorporated in Malaysia)

Registered Office

No. 2 (1st Floor)
Jalan Marin,
Taman Marin,
Jalan Haji Abdullah,
Sungai Abong, 84000 Muar,
Johor Darul Takzim.

Date: 29 October 2021

Board of Directors:

Dato' Haji Obet bin Tawil (*Independent Non Executive Chairman*)
Dato' Teo Wee Cheng (*Managing Director*)
Datin Teo Chan Huat (*Deputy Managing Director*)
Dato' Tan Seng Hu (*Non Independent Non Executive Director*)
Mr. Tan Siong Sun (*Non Independent Non Executive Director*)
Ms. Ng Sai Goey (*Independent Non Executive Director*)

To: The Shareholders of SHH Resources Holdings Berhad

Dear Sir/Madam,

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

1. INTRODUCTION

At an AGM held on 30 November 2020, the Company had obtained a shareholders' mandate for the Company and its subsidiaries to enter into any of the category of Recurrent Transactions of a revenue or trading nature as set out in the circular to shareholders dated 30 October 2020 with the Related Parties. The shareholders' mandate covered all Recurrent Transactions from 30 November 2020 until the conclusion of the forthcoming AGM of the Company which is scheduled on 30 November 2021, unless it is renewed.

On 8 October 2021, the Company announced its intention to seek shareholders' approval to enter into the Recurrent Transactions as set out in Section 2.4 below, provided such transactions are of a revenue or trading nature which are entered into in the ordinary course of business and necessary for its day-to-day operations of the Group and on terms not more favourable to the Related Party than those generally available to the public or non-related parties and are not detrimental to the minority shareholders.

The purpose of this Circular is to provide you with information on the Proposed Shareholders' Mandate and to seek your approval on the relevant ordinary resolution to be tabled at the forthcoming AGM of the Company.

SHAREHOLDERS ARE ADVISED TO READ THE CONTENTS AND APPENDIX OF THIS CIRCULAR CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS' MANDATE.

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

2.1 Part E – Related Party Transactions, Paragraph 10.09 of the Listing Requirements

Under Paragraph 10.09 (2) Part E of Chapter 10 of the Listing Requirements, a listed issuer may seek a shareholders' mandate in respect of related party transactions involving recurrent transactions of a revenue or trading nature which are necessary for its day-to-day operations subject to the following:-

- i) The transaction 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 the 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 paragraph 10.09 (1) of the Listing Requirements as stated below:-
 - (a) the consideration, value of the assets, capital outlay or costs of the Recurrent Related Party Transactions is RM1.0 million or more; or
 - (b) the percentage ratio of such Recurrent Related Party Transactions is 1% or more,whichever is the lower;
- iii) the listed company's circular to shareholders for the Shareholders' Mandate includes the information as may be prescribed by Bursa Securities;
- iv) in a meeting to obtain the Shareholders' Mandate, interested Director, interested Major Shareholder or interested 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, must not vote on the resolution approving the transactions. An interested Director or interested Major Shareholder must also ensure that persons connected with him abstain from voting on the resolution approving the transactions; and
- v) the listed company immediately announces to the Bursa Securities when the actual value of a Recurrent Related Party Transaction entered into by the listed company, exceeds the estimated value of the Recurrent Related Party Transaction disclosed in the Circular by 10% or more and must include information as may be prescribed by Bursa Securities in its announcement.

Where the Company has procured the Shareholders' Mandate pursuant to the above, the provision of paragraph 10.08 of the Listing Requirement shall not apply during the period of validity of the Shareholders' Mandate.

2.2 The Recurrent Transactions

The principal activity of the Company is that of an investment holding company whereas its subsidiaries are involved in manufacturing of wooden furniture.

The Group is seeking approval of the shareholders in relation to the Proposed Shareholders' Mandate which will allow the Group to enter into the categories of recurrent related party transactions referred to in the ensuing section provided such transactions are necessary for its day-to-day operations of the Group and are made at arms' length in the ordinary course of business on normal commercial terms that are not more favourable to the Related Party than those generally available to the public or non-related parties and are not detrimental to the minority shareholders.

The Proposed Shareholders' Mandate will, if approved by the shareholders at the AGM, take effect immediately from the date of the AGM and is subject to annual renewal and 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, the said authority is renewed;
- 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 Act, (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- c) revoked or varied by resolution passed by the shareholders in general meeting;

whichever is the earlier.

2.3 Nature of the Recurrent Transactions

The Recurrent Transactions are principally in respect of purchases of materials, furniture parts and rubberwood from the Related Party and the provision of workmanship labour services by the Related Party in the ordinary course of the Group's business. The details of the Recurrent Transactions are described in Table A below.

2.4 Class of Related Party

The Proposed Renewal of Shareholders' Mandate would apply to the Recurrent Transactions with a corporation connected with two directors of the Company and Chief Executive Officer of the Group. The Related Parties and the estimated value of the transactions are disclosed in Table A below.

Table A – Recurrent Transactions with Related Parties under the Proposed Shareholders’ Mandate

Nature of Transaction	Relationships of the Related Parties	Estimated value as disclosed in preceding year Circular	#Actual Value of Transactions carried out	Estimated value from the forthcoming AGM to the next AGM
<p>(a) Purchase of materials, furniture parts and provision of workmanship labour services</p> <p>SHH Furniture purchases materials and furniture parts from DHSB.</p> <p>DHSB also provides workmanship labour services to SHH Furniture.</p>	<p>a) SHH Furniture is a wholly-owned subsidiary of the Company.</p> <p>b) The Company has a 49% equity interest in DHSB.</p> <p>c) Teo Bok Yu is the Chief Executive Officer of the Group.</p> <p>d) Teo Bok Yu and Teo Jin Yuan are directors in Gerak Teras Sdn Bhd and DHSB. They have a 100% equity interest in Gerak Teras Sdn Bhd which has a 51% shareholding in DHSB.</p> <p>e) Both Teo Bok Yu and Teo Jin Yuan are the sons of Dato’ Teo Wee Cheng and Datin Teo Chan Huat, the major shareholders and directors of the Company.</p>	RM8,000,000	RM3,486,899	RM8,000,000

Table A – Recurrent Transactions with Related Party under the Proposed Shareholders’ Mandate (cont’d)

(b) Purchase of materials, furniture parts and provision of workmanship labour services		RM6,000,000	RM149,146	RM6,000,000
KSSB purchases materials and furniture parts from DHSB.	a) KSSB is a wholly-owned subsidiary of the Company.			
DHSB also provides workmanship labour services to KSSB.	b) The Company has a 49% equity interest in DHSB.			
	c) Teo Bok Yu is the Chief Executive Officer of the Group.			
	d) Teo Bok Yu and Teo Jin Yuan are directors in Gerak Teras Sdn Bhd and DHSB. They have a 100% equity interest in Gerak Teras Sdn Bhd which has a 51% shareholding in DHSB.			
	e) Both Teo Bok Yu and Teo Jin Yuan are the sons of Dato’ Teo Wee Cheng and Datin Teo Chan Huat, the major shareholders and directors of the Company.			

Actual value transacted since the last AGM up to 8 October 2021 (being the latest practicable date prior to printing of this Circular).

KSSB and SHH Furniture are wholly-owned subsidiaries of the Company.

The estimated value is based on the aggregate annual value of transactions between the Group and the Related Party for the previous financial year ended 30 June 2021 and the anticipated increase in the level of business dealings with the Related Party. The actual amount transacted may vary and subject to changes.

The interests of Deemed Interested Parties, namely Dato’ Teo Wee Cheng, Datin Teo Chan Huat, Teo Bok Yu and Teo Jin Yuan in shares of the Company as at 8 October 2021 are as follows:

	Direct		Indirect	
Dato’ Teo Wee Cheng	24,411,544	24.41%	6,542,230 (a)	6.54%
Datin Teo Chan Huat	6,542,230	6.54%	24,411,544 (b)	24.41%
Teo Bok Yu	-	-	30,953,774 (c)	30.95%
Teo Jin Yuan	-	-	30,953,774 (c)	30.95%

Note:-

- a) Deemed interested by virtue of the shareholding of his spouse, Datin Teo Chan Huat.
- b) Deemed interested by virtue of the shareholding of her spouse, Dato’ Teo Wee Cheng.
- c) Deemed interested by virtue of the shareholding of their parents, Dato’ Teo Wee Cheng and Datin Teo Chan Huat.

2.5 Terms of the Recurrent Transactions

The principle activity of SHH Furniture and KSSB is manufacturing of wooden furniture. DHSB is mainly involved in the manufacturing of moulded materials and furniture parts such as moulded rubberwood, laminated boards, finger joint wood and cap-rails, and supply of workmanship labour services.

SHH Furniture and KSSB purchase materials and furniture parts from DHSB on prices, terms and conditions which are not more favourable than those generally available to the public.

In addition DHSB provides to SHH Furniture and KSSB, workmanship labour services on prices, terms and conditions similar to those generally available to the public.

2.6 Rationale for the Recurrent Transactions

The Recurrent Transactions to be entered into by the Group are of a revenue or trading nature and are necessary for day-to-day operations of the Group. These transactions are made in the ordinary course of business on normal commercial terms that are not more favourable to the Related Party than those generally available to the public or non-related parties. They are recurring related party transactions which are likely to occur with some degree of frequency and may arise at any time and 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 related party transactions.

As such, the Board is seeking a shareholders' mandate pursuant to Paragraph 10.09 of the Listing Requirements for the Recurrent Transactions to authorise the Group to enter into such transactions which are made on arm's length basis and on normal commercial terms and which are not prejudicial to the interests of the minority shareholders.

By obtaining the Proposed Shareholders' Mandate, the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such Recurrent Transactions occur would not arise. This would reduce substantial administrative time, inconvenience and expenses involved in the convening of such meeting, without compromising the corporate objectives of the Group or adversely affect the business operations of and opportunities available to the Group.

2.7 Benefits of the Recurrent Transactions

To accommodate the Group's extensive manufacturing processes, the Group purchases furniture parts and materials from various vendors which include purchases from DHSB. Regular purchases of materials and furniture parts from DHSB allow the Group to have a better control on the quality as well as the delivery schedules of its manufactured products. Various furniture parts and materials may be purchased at various times due to shortfalls in inventory or because production of certain furniture parts are not undertaken by the subsidiaries of the Company or inability to be sourced elsewhere.

Workmanship labour services fees paid to DHSB ensure reliable, prompt and skilled services provided by DHSB and is common in such industry. The subcontract of such workmanship labour services will also enable the Group to concentrate in its main activities and at the same time, dispense with the need to maintain a massive workforce given that furniture manufacturing operations is labour intensive.

2.7 Benefits of the Recurrent Transactions (cont'd)

Close working relationships with DHSB via reciprocal services engaged and provided allow the Group to forge a long standing, mutually beneficial business relationship with DHSB. The Group also benefits from better utilisation and allocation of resources through the close collaboration with DHSB.

2.8 Amount Due and Owing By Related Parties

None of the related parties has any amount due and owing to the Group pursuant to the Recurrent Related Party Transactions for the financial year ended 30 June 2021.

2.9 Disclosure and Review Procedures for the Recurrent Transactions

Disclosure on the aggregate value of transactions conducted pursuant to the Proposed Shareholders' Mandate during the financial year will be made in the annual report of the Company. The review procedures for the Recurrent Transactions are as follows:

- (1) the Recurrent Transactions are conducted at arm's length and based on normal commercial terms consistent with the Group's usual business practices and policies and will not be prejudicial to shareholders;
- (2) the management will ensure that pricing for materials, furniture parts and provision of workmanship labour services to be provided or supplied and/or received or purchased is determined in accordance with the Group's usual business practices and policies, consistent with the usual margin of the Group for the same or substantially similar type made by the Group with the public. Where practical and feasible, quotations will be obtained from at least two (2) unrelated parties to ascertain appropriate prices. In the event that quotation or comparative pricing from unrelated parties cannot be obtained, the price, terms and conditions of the transactions will be in accordance with applicable industry norms prevailing commercial rates;
- (3) the management to review the terms of Recurrent Transactions; and
- (4) Audit Committee shall review the terms of the Recurrent Transactions on a quarterly basis and to provide a statement that it has reviewed and is satisfied with the review procedures to the extent that the procedures are relevant and sufficient to ensure that such Recurrent Transactions will be carried out on normal commercial terms which are not prejudicial to the interests of minority shareholders.

2.10 The Threshold of Approval of Recurrent Transactions

The recurrent related party transactions covered under this Circular regardless of the amount are to be approved by the Purchasing Manager. In the event where the Purchasing Manager is unable to approve the recurrent related party transactions, these transactions will be subject to the review by and approval of the Audit Committee.

2.11 Audit Committee Statement

The members of the Audit Committee are as follows:-

1. Dato' Haji Obet bin Tawil - Independent Non-Executive Director
(Chairman of the Audit Committee)
2. Ng Sai Goey - Independent Non-Executive Director
3. Tan Siong Sun - Non Independent and Non-Executive Director

The Audit Committee has reviewed the procedures stated in Section 2.9 above and is of the view that:

- (a) the review procedures are sufficient and satisfactory to ensure that the Recurrent Transactions are carried out on terms not more favourable to the Related Party than to the public and are not detrimental to the minority shareholders and disadvantageous to the Group.
- (b) the Group has in place adequate procedures and processes to monitor, track and identify Recurrent Transaction in a timely and orderly manner, and such procedures and processes are reviewed on a yearly basis or whenever the need arises.

For purposes of avoidance of conflict of interests, any member of the Audit Committee having interests, direct or indirect in the Recurrent Transactions, will not be involved in the review of the Recurrent Transactions.

2.12 Approval of Shareholders of the Company

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

3. DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

Save as disclosed below, none of the directors, major shareholders and person connected to the directors or major shareholders of the Company have any interest, direct or indirect, in the Proposed Shareholders' Mandate.

Dato' Teo Wee Cheng, a deemed interested party and a director of the Company, SHH Furniture and KSSB has abstained and will abstain from board deliberation and voting on the relevant Recurrent Transactions at the board meeting of the Company, SHH Furniture and KSSB.

Datin Teo Chan Huat, a deemed interested party and a director of the Company, SHH Furniture and KSSB has abstained and will abstain from board deliberation and voting on the relevant Recurrent Transactions at the board meeting of the Company, SHH Furniture and KSSB.

The aforesaid directors, namely Dato' Teo Wee Cheng and Datin Teo Chan Huat will also abstain from voting at the forthcoming AGM in respect of their direct and indirect shareholdings in the Company on the Proposed Shareholders' Mandate.

The aforesaid deemed interested directors, namely Dato' Teo Wee Cheng and Datin Teo Chan Huat have also undertaken that they and persons connected with them will abstain from voting on the resolution approving the Proposed Shareholders' Mandate at the AGM.

4. BOARD OF DIRECTORS' RECOMMENDATION

The Board (except for Dato' Teo Wee Cheng and Datin Teo Chan Huat who are an interested parties pursuant to the Proposed Shareholders' Mandate have abstained from giving their opinion and recommendation on the Proposed Shareholders' Mandate) is of the opinion that the Proposed Shareholders' Mandate is in the best interest of the Company and therefore recommend that you vote in favour of the resolution in relation to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM.

5. ANNUAL GENERAL MEETING

The AGM will be held entirely through live streaming from the broadcast venue at Level 12, Menara Symphony, No 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan on 30 November 2021 at 11.00 a.m. or at any adjournment thereof.

A Form of Proxy for the AGM is enclosed in the 2021 Annual Report of the Company. If you are unable to attend and vote in person at the AGM, you are requested to complete and return the Form of Proxy in accordance with the instructions printed thereon to the Company's registered office at No. 2 (1st Floor), Jalan Marin, Taman Marin, Jalan Haji Abdullah, Sungai Abong, 84000 Muar, Johor Darul Takzim or submit via email to agm2021@shh.com.my or lodge electronically via "Boardroom Smart Investor Portal" at <https://investor.boardroomlimited.com> not less than 24 hours before the time set for holding the AGM. The lodging of the Form of Proxy will not preclude you from personally participating remotely and voting at the meeting should you subsequently wish to do so.

6. FURTHER INFORMATION

Shareholders are requested to refer to Appendix I for further information.

Yours faithfully,
For and on behalf of the Board of Directors of
SHH RESOURCES HOLDINGS BERHAD

Dato' Haji Obet bin Tawil
Chairman

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY

This Circular has been seen and approved by the Board who collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries and 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

There are no other material contracts which have been entered into by the Company and/or its subsidiaries during the two (2) years immediately preceding the date of this Circular, other than contract entered into in the ordinary course of business.

3. MATERIAL LITIGATIONS

Neither the Company nor any of its subsidiaries are engaged in any material litigation, claim or arbitration, either as a plaintiff or defendant which has a material effect on the financial position of the Company or its subsidiaries.

As at the date of this Circular, the Board does not have any knowledge of any proceedings, pending or threatened, against the Company or its subsidiaries or any facts likely to give rise to any proceedings which may materially affect the position or business of the Company or its subsidiaries, financially or otherwise.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal office hours (except public holidays) at the registered office of the Company at No. 2 (1st Floor), Jalan Marin, Taman Marin, Jalan Haji Abdullah, Sungai Abong, 84000 Muar, Johor Darul Takzim from the date of this Circular up to and including the date of the AGM:

- (a) Constitution of the Company.
- (b) Audited accounts of the Company for the past two (2) financial years ended 30 June 2020 and 30 June 2021.

EXTRACT OF NOTICE OF ANNUAL GENERAL MEETING

ORDINARY RESOLUTION

7. Proposed Shareholders' Mandate for Recurrent Related Party Transactions

“THAT, subject to the Companies Act 2016 (“the Act”), the Constitution of the Company and Bursa Malaysia Securities Berhad’s Main Market Listing Requirements, approval be hereby given to the Company and/or its subsidiaries to enter into all arrangements and/or transactions involving interests of Directors, major shareholders or persons connected with Directors and/or major shareholders of the Company and/or its subsidiaries (“Related Parties”), details of which are more particularly set out in Section 2 of the Circular to Shareholders dated 29 October 2021 (“the Shareholders’ Mandate”);

PROVIDED THAT such arrangements and/or transactions are:-

- a. recurrent transactions of a revenue or trading nature;
- b. necessary for the day-to-day operations;
- c. carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- d. not to the detriment of minority shareholders.

THAT the Shareholders’ Mandate, unless earlier revoked or varied by the Company in a general meeting, shall continue to be in force until the next Annual General Meeting (“AGM”) of the Company or 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 extensions as may be allowed pursuant to Section 340 (4) of the Act);

AND THAT disclosure will be made in the annual report of the Company of the aggregate value of transactions conducted pursuant to the Shareholders’ Mandate during the financial year;

FURTHER THAT the Directors of the Company be 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 the Shareholders’ Mandate.”

[Resolution 7]