

There is no increase on Directors' fees for the financial year ended 31 March 2019. The Directors' fees were last increased in the financial year 2014.

In determining the estimated amount of remuneration payable for the NEDs, various factors, including the number of scheduled meetings for the Board, Board Committees and Board of subsidiaries as well as the number of NEDs involved in these meetings were considered.

Note: The Group Managing Director does not receive any Director's fees.

(VI) Resolution 9

Messrs. Hanafiah Raslan & Mohamad ("HRM") has informed the Board that they would not be seeking re-appointment as the Company's Auditors at the Company's 47th AGM in view of the new regulation set by the Audit Oversight Board ("AOB") stipulating that an audit partner must only be attached to one audit firm at all times, unless otherwise exempted by the AOB. HRM further informed the Board that they along with their associate firm, Messrs. Ernst & Young have submitted an application for exemption to the AOB, however, AOB did not approve the Company to be an entity to be audited under HRM. As such, HRM is not allowed to continue to serve as Auditors of the Company.

In view of the above, the Board proposed the appointment of Messrs. Ernst & Young as Auditors of the Company in place of the retiring Auditors, HRM for the ensuing financial year and to hold office until the conclusion of the next AGM at a remuneration to be determined by the Directors. The Company has received Messrs. Ernst & Young's written consent to act as Auditors of the Company pursuant to Section 264(5) of the Act.

(VII) EXPLANATORY NOTES ON SPECIAL BUSINESS

(a) Resolution 10

The proposed Ordinary Resolution 10, if passed, will empower the Company and/or its subsidiaries ("the Group") to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations, subject to the transactions being carried out in the ordinary course of business on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

(b) Resolution 11

The proposed Ordinary Resolution 11, if passed, will renew the authority granted by the shareholders at the last AGM. The renewed authority will allow the Company to purchase its own shares of up to 10% of its prevailing ordinary issued and paid-up share capital at any time. The renewed authority, unless revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting, will expire at the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held, whichever occurs first.

Further information on the Proposed Renewal of Shares Buy-Back Authority is set out in the Circular/Statement to Shareholders dated 29 July 2019 which is circulated together with the Company's Annual Report 2019 and is also available on 'Investors' section of the Company's website.