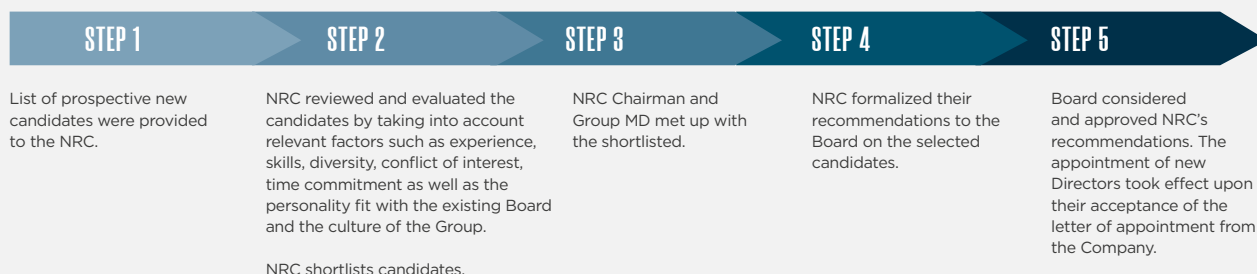


Details of the different stages of the appointment process that the NRC followed are set out below:



During the year, the NRC held three (3) meetings, including a Joint NRC Meeting with its listed subsidiary, FimaCorp, and extensively discussed the merits of the prospective candidates. On 27 February 2019, the NRC recommended the appointment of two (2) Non-Executive Directors to the Board. The Board had at its meeting on 27 February 2019, concurred with the NRC's recommendations which culminated in the appointment of Dato' Idris bin Kechot and Datuk Anuar bin Ahmad as Independent Non-Executive Directors of the Company effective 3 May 2019.

The new Directors were provided with a Director's Kit containing the Company's Constitution, Board Charter and Board Committees' Terms of Reference, Group policies and other key information. In accordance with the Company's Constitution, they are subject to the re-appointment by the Company's shareholders at the forthcoming AGM.

Profiles of Dato' Idris bin Kechot and Datuk Anuar bin Ahmad can be found on Our Board of Directors section of this Annual Report.

Independence of Directors

Azizan bin Mohd Noor
Appointed:
2 April 2003

Dato' Idris bin Kechot
Appointed:
3 May 2019

Dato' Rosman bin Abdullah
Appointed:
5 May 2004

Datuk Anuar bin Ahmad
Appointed:
3 May 2019

The Non-Executive Directors are appointed to offer a wide range of skills and experience which enable them to advise, support and constructively challenge Management, to provide independent judgement on the Board's discussions and to help with the development of the Company's strategy.

The Board, through NRC, reviewed the independence of its Independent Non-Executive Directors as part of its annual evaluation of Board effectiveness. The Board is committed to ensuring the Board comprises a majority of Independent Non-Executive Directors.

Notwithstanding the fact that Encik Azizan bin Mohd Noor and Dato' Rosman bin Abdullah have served on the Board as Independent Non-Executive Directors for a cumulative term of more than nine (9) years, the Board, having considered the matter thoroughly, is of the opinion that Encik Azizan bin Mohd Noor and Dato' Rosman bin Abdullah remain independent, in line with the criteria as defined in the Bursa Listing Requirements and are free from any relationship or circumstances that could affect, or appear to affect, their independent judgement. The Board is satisfied that the lengths of their tenure have no impact on their respective levels of independence or the effectiveness of their contributions.

Both Encik Azizan bin Mohd Noor and Dato' Rosman bin Abdullah have provided written declaration to the NRC and the Board confirming that they continue to fulfil the criteria of independence in line with the Bursa Listing Requirements. The Board will continue to review the independence of the Company's Independent Directors from time to time to ensure that they have the necessary competencies, skills and knowledge, and continue