

NOTICE OF 34TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 34th Annual General Meeting of the Company will be held at the UMW Auditorium, **UMW Holdings Berhad**, No. 3, Jalan Utas (15/7), Batu Tiga Industrial Estate, 40200 Shah Alam, Selangor Darul Ehsan, Malaysia, on Thursday, 19 May 2016 at 10.00 a.m. to transact the following businesses -

ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 December 2015 together with the Reports of the Directors and Auditors thereon. **Resolution 1**
- To re-elect Badrul Feisal bin Abdul Rahim who retires pursuant to Article 109 of the Company's Articles of Association, and who being eligible, offers himself for re-election. **Resolution 2**
- To re-elect the following Directors who retire by rotation pursuant to Article 123 of the Company's Articles of Association, and who being eligible, offer themselves for re-election -
 - Rohaya binti Mohammad Yusof **Resolution 3**
 - Tan Sri Hasmah binti Abdullah. **Resolution 4**
- To approve Directors' fees of RM1,350,000 (excluding GST) to the Non-Executive Directors for the financial year ended 31 December 2015. **Resolution 5**
- To re-appoint Messrs. Ernst & Young as Auditors of the Company for the financial year ending 31 December 2016 and to authorise the Board of Directors to fix their remuneration. **Resolution 6**

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary Resolutions -

- Re-appointment of Tan Sri Asmat bin Kamaludin as Director of the Company pursuant to Section 129(6) of the Companies Act, 1965 **Resolution 7**
 "THAT Tan Sri Asmat bin Kamaludin, a Non-Independent Non-Executive Director, who retires pursuant to Section 129(2) of the Companies Act, 1965 ("the Act"), be re-appointed as Director of the Company pursuant to Section 129(6) of the Act, and to hold office until the conclusion of the next Annual General Meeting."
Resolution 8
 Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions and Proposed New Shareholders' Mandate for Additional Recurrent Related Party Transaction of a Revenue or Trading Nature ("Shareholders' Mandate")
 "THAT the mandate granted by shareholders on 28 May 2015 pursuant to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, authorising the Company and/or its subsidiaries ("the UMW Group") to enter into the recurrent transactions of a revenue or trading nature as now set out in Section 2.3(b)(i) of the Circular to Shareholders dated 25 April 2016 ("the Circular"), with the related parties mentioned therein, which are necessary for the day-to-day operations of the UMW Group, be renewed, AND THAT approval be given for a new mandate for the UMW Group to enter into an additional recurrent transaction of a revenue or trading nature as set out in Section 2.3(b)(ii) of the Circular with the related party mentioned therein, PROVIDED THAT such transactions are entered into in the ordinary course of business and on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not to the detriment of the minority shareholders of the Company.
 THAT the Shareholders' Mandate shall continue to be in force and effect until -
 - the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time the authority will lapse, unless the authority is renewed by a resolution passed at such general meeting;
 - the expiration of the period within which the Company's next AGM is required to be held, pursuant to Section 143(1) of the Companies Act, 1965 ("the Act") (but shall not extend to any extension as may be allowed pursuant to Section 143(2) of the Act); or
 - revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,
 whichever is the earliest;
 AND THAT the Board of Directors of the Company be empowered and authorised to complete and do such acts and things as they may think expedient or necessary (including executing such documents as may be required) to give effect to the Shareholders' Mandate."
- To transact any other business for which due notice has been given.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend the 34th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. pursuant to Article 75(a) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991, to issue a General Meeting Record of Depositors ("ROD") as at 12 May 2016. Only a depositor whose name appears on the ROD and/or Register of Members as at 12 May 2016 shall be entitled to attend the said meeting or appoint proxy(ies) to attend, speak and/or vote on his/her behalf.

By Order of the Board

FADZILAH BINTI SAMION (MACS 01262)
Group Secretary

Shah Alam, Selangor Darul Ehsan.
25 April 2016

NOTES

Proxy and/or Authorised Representatives

- A member entitled to attend, speak and vote at the meeting is entitled to appoint not more than two (2) proxies in his/her stead. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.
- A member may appoint any person to be his/her proxy without restriction to the proxy's qualification and the provisions of Section 149(1)(a) and (b) of the Companies Act, 1965 ("the Act") shall not apply to the Company.
- A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, is allowed to appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- The Form of Proxy must be signed by the appointer or his/her attorney or in the case of a corporation, executed under its common seal or under the hand of the attorney duly authorised in writing.
- All Forms of Proxy must be deposited at the Registered Office of the Company at 3rd Floor, The Corporate, No. 10, Jalan Utas (15/7), Batu Tiga Industrial Estate, 40200 Shah Alam, Selangor Darul Ehsan, Malaysia, not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
- Only members whose names appear in the ROD and/or Register of Members as at 12 May 2016 will be entitled to attend and vote at the meeting.

EXPLANATORY NOTES ON ORDINARY BUSINESS

1. Audited Financial Statements for the Financial Year Ended 31 December 2015

The audited financial statements are for discussion only and do not require formal approval of shareholders pursuant to Section 169(1) and (3) of the Act. Hence, the matter will not be put for voting.

2. Resolution 1 - Re-Election of Director pursuant to Article 109 of the Company's Articles of Association

Article 109 provides that new Directors appointed by the Board shall hold office until the conclusion of the next AGM of the Company and shall be eligible for re-election.

Badrul Feisal bin Abdul Rahim, who was appointed Director and President & Group Chief Executive Officer ("President & Group CEO") during the year is to retire, and being eligible, has offered himself for re-election at this AGM.

As Badrul Feisal was appointed Director and President & Group CEO only on 1 October 2015, the Board concurred with the Nomination Committee's view that his tenure as Director is too short for an effective evaluation of his performance for the financial year ended 31 December 2015. Badrul Feisal's performance will be evaluated in the financial year 2016.

3. Resolutions 2 and 3 - Re-Election of Directors pursuant to Articles 123 and 125 of the Company's Articles of Association

Articles 123 and 125 provide that at every AGM, at least one-third (1/3) of the Directors for the time being, shall retire from office and shall be eligible for re-election.

Rohaya binti Mohammad Yusof and Tan Sri Hasmah binti Abdullah who retire by rotation are standing for re-election as Directors of the Company, and being eligible, have offered themselves for re-election at this AGM.

Except for Badrul Feisal, the other Directors had undergone a comprehensive annual performance evaluation carried out by the Nomination Committee and the Board to assess the performance and contribution of each individual Director, taking into consideration among others, character, integrity, professionalism and competency. The Board is satisfied that Rohaya and Tan Sri Hasmah have discharged their functions, duties and responsibilities well, and agreed that Rohaya and Tan Sri Hasmah are eligible to stand for re-election at this AGM.

In addition, the Nomination Committee had also conducted an assessment on the independence and effectiveness of Tan Sri Hasmah as an Independent Director as recommended under Principle 3 of the Malaysian Code on Corporate Governance 2012 ("MCCG 2012"). The Board is satisfied that Tan Sri Hasmah has complied with the independence criteria applied by the Company. Tan Sri Hasmah is expected to continue to bring independent and objective judgement to board deliberations.

4. Resolution 4 - Directors' Fees for Non-Executive Directors for the Financial Year Ended 31 December 2015

Article 108 of the Company's Articles of Association provides that fees payable to Directors shall from time to time be determined by ordinary resolution of the Company in general meeting. Such fees cannot be increased except pursuant to an ordinary resolution passed at the Company's general meeting.

Shareholders at the 33rd AGM of the Company held on 28 May 2015, had approved the increase in Directors' fees for Non-Executive Directors ("NEDs") to RM1,350,000 for the financial year ended 31 December 2015. Although there is no revision to the fees payable, the resolution is tabled to shareholders as good practice.

5. Resolution 5 - Re-Appointment of Auditors

Sections 172(2) and 172(16) of the Act provide that the Company shall at each AGM appoint the Auditors of the Company who shall hold office until the conclusion of the next AGM and may authorise the Board of Directors to determine their remuneration thereof.

The Audit Committee had carried out an annual assessment of the external auditors to evaluate their suitability, effectiveness and independence as recommended under Principle 5 of the MCCG 2012. The annual evaluation of external auditors provides the Audit Committee with a disciplined approach for maintaining effective oversight of the external auditors' performance, covering amongst others, the adequacy of the audit team, degree of independence, performance level and audit scope. Based on the evaluation conducted, the Audit Committee is satisfied with the external auditors' performance, technical competency and audit independence.

The external auditors, Messrs. Ernst & Young, have provided written assurance to the Audit Committee that they have been independent throughout the audit engagement for 2015. The external auditors have also expressed their willingness to be re-appointed at this AGM.

EXPLANATORY NOTES ON SPECIAL BUSINESS

1. Resolution 6 - Re-Appointment of Director pursuant to Section 129(6) of the Companies Act, 1965

Section 129(6) of the Act provides that a Director who has attained the age of 70 years or over the age of 70 years may be appointed or re-appointed as a Director of the Company by a resolution duly passed by a majority of not less than three-fourths (3/4) of such members of the Company as being entitled to vote in person or by proxy. Such Director will hold office until the conclusion of the next AGM.

Tan Sri Asmat bin Kamaludin, who has attained the age of 72 years, is standing for re-appointment as Director of the Company and being eligible, has offered himself for re-appointment at this AGM.

Similarly, Tan Sri Asmat had undergone the annual performance evaluation carried out by the Nomination Committee and the Board. The Board is satisfied that Tan Sri Asmat has discharged his functions, duties and responsibilities as Director and Group Chairman well, and agreed that he is eligible to stand for re-appointment at this AGM.

2. Resolution 7 - Proposed Shareholders' Mandate

The Board proposes to renew the mandate granted by shareholders at the AGM held on 28 May 2015 and to approve a new mandate for an additional recurrent related party transaction. The Proposed Shareholders' Mandate, if passed, will enable the UMW 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, and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public. Details of the Proposed Shareholders' Mandate are set out in the Circular to Shareholders dated 25 April 2016. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

ABSTENTION OF VOTING

- All NEDs, who are shareholders of the Company (direct or indirect), will abstain from voting on Resolution 4 in respect of the approval of Directors' fees to NEDs for the year ended 31 December 2015 at this AGM.
- All Directors standing for re-election or re-appointment, who are also shareholders of the Company (direct or indirect), will abstain from voting on Resolutions 1, 2, 3 and 6 in respect of their re-election or re-appointment at this AGM.

STATEMENT ACCOMPANYING THE NOTICE OF THE 34TH ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

Details of Directors standing for re-election or re-appointment as mentioned in the Notice of the 34th Annual General Meeting are set out in the Directors' Profile on pages 24 to 32 of the Annual Report 2015.