



**POLICY AND PROCEDURES
ON
RELATED PARTY
TRANSACTIONS AND
RECURRENT RELATED PARTY
TRANSACTIONS**

TITLE	Related Party Transactions/ Recurrent Related Party Transactions Policy
VERSION	1.0
APPLICABILITY	Sapura Resources Berhad (“SRB”) and all its subsidiaries.
APPROVED BY	Board of Directors of Sapura Resources Berhad
APPROVAL DATE	26 November 2021
EFFECTIVE DATE	26 November 2021
POLICY SPONSOR	CFO and Legal and Secretarial Department
SCOPE	This RPT Policy is applicable to SRB and all subsidiaries of SRB, all levels and all business/support units in SRB.
REGULATORY REQUIREMENTS	<ol style="list-style-type: none"> 1. Main Market Listing Requirement 2. Companies Act 2016

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ABBREVIATIONS

Act	- Companies Act 2016
AGM	- Annual General Meeting
BARC	- Board of Audit and Risk Committee
Board	- Board of Directors of SRB
Bursa	- Bursa Malaysia Berhad
CFO	- Chief Financial Officer
EGM	- Extraordinary general meeting
LSD	- Legal And Secretarial Department
MD	- Managing Director
MMLR	- The Main Market Listing Requirements of Bursa
Person	- person includes a body of persons, corporate or unincorporate (including a trust)
RPT	- Related Party Transaction
RRPT	- Recurrent Related Party Transaction
RPT Policy	- SRB Group's Policy and Procedures on Related Party Transactions and Recurrent Related Party Transactions
RM and sen	- Ringgit Malaysia and sen respectively
SRB Company	- Any company within the SRB Group
SRB Group or Group	- SRB and its subsidiaries
SRB or the Company	- Sapura Resources Berhad

1.0 INTRODUCTION

The Board of Directors and Management recognizes that RPT and RRPT may present actual, potential or perceived conflict of interest and may raise questions as to whether such transactions are in the best interest of the Company and its stakeholders. In view thereof this RPT Policy serves as a guideline to be adopted and applied across SRB and all its subsidiaries for all RPTs and RRPTs.

This RPT Policy was drawn up in accordance with the requirements of MMLR and this RPT Policy is to comply with Part E, Paragraph 10.08 and 10.09 of MMLR.

2.0 SCOPE

This RPT Policy applies to SRB and all its subsidiaries and to all its employees including permanent, contract, part timer and temporary employees.

3.0 OBJECTIVE

This RPT Policy is designed to ensure that all employees of SRB understand the requirement of RPTs/RRPTs that need to be adhered to ensure compliance with MMLR, and are guided on the procedures to be observed in ensuring that RPTs/RRPTs within the SRB Group are carried out at **arm's length** and **on normal commercial terms** which are not more favorable to the Related Party or Parties than those generally available to the public, and are not on terms that are prejudicial to the Company and detrimental to the minority shareholders of SRB.

4.0 POLICY

This RPT Policy further sets out the framework and outlines the procedures in identifying, disclosing, evaluating, approving and monitoring the RPTs and RRPTs. It also serves as a guide to the BARC and the Board in discharging their roles and responsibilities on dealing with RPTs and RRPTs within the SRB Group.

This Policy specifies the procedures to be applied, provides guidance in the interpretation of the requirements and sets out the basic guidelines for disclosure of related party transactions entered into by SRB.

The CFO is responsible for the implementation of the RPT Policy and procedures, particularly in the reporting of RPTs on a quarterly basis and determining whether the transactions are within the threshold that triggers the workflow. The CFO shall also advise on a timely basis as and when it is sought. In complex case, external advice may be sought.

It is the policy of SRB for all RPT/RRPT to be approved at BARC, regardless of the amount. Approvals of the Board and shareholders shall be in accordance with the MMLR.

5.0 SAFEGUARDS

If there is doubt as to whether the proposed transaction is an RPT, employees are encouraged to contact the LSD, who shall advise if parties entering into the proposed transaction with SRB Group are deemed related.

An RPT may give rise to a conflict of interest, nonetheless, such RPT is allowed under the law **PROVIDED THAT** the RPT is entered into in the best interest of the Company and complies with applicable laws. The Company must ensure that no preference is given to the Related Party. In any event, there must be proper documentation relied upon by the Company to determine the basis of the RPT and ensuring that the RPT is conducted at arms length and is entered into in the best interest of the company. The documentation varies based on transactions entered into and shall be required in support of the information provided in the RPT Paper to be prepared and approved by the BARC and the Board, as detailed in Appendix 5 of this paper.

6.0 DEFINITIONS OF RELATED PARTY TRANSACTIONS/RECURRENT RELATED PARTY TRANSACTIONS – CHAPTER 10 MMLR

This RPT Policy is not intended to provide for a comprehensive definition of all areas related to RPT/RRPT. It is therefore recommended that all employees who are directly involved in identifying, disclosing and monitoring these RPT/RRPTS to liaise with the CFO and the LSD.

The following are some of the main definitions provided by the MMLR:-

Related Party Transaction (“RPT”) refers to a *Transaction*^(a) entered into by the corporation or its subsidiaries, which involves the interest, direct or indirect, of a **Related Party**^(b) where the disclosure requirement is governed by percentage ratio threshold as detailed in Appendix 3.

a) **Transaction** includes:

- (i) the acquisition, disposal or leasing of assets;
- (ii) the establishment of joint ventures;
- (iii) the provision of financial assistance;
- (iv) the provision or receipt of services; or
- (v) any business transaction or arrangement entered into, by a listed issuer or its subsidiaries.

By the Company or its subsidiaries BUT excludes transaction entered into between the Company (or any of its wholly-owned subsidiaries) and its wholly-owned subsidiaries.

b) **Related Party** in relation to a corporation, means a *director*¹, *major shareholder*² or *person connected*³ with such director or major shareholder. (Chapter 1 and 10 MMLR)

¹*Director** includes Chief Executive, where Chief Executive in relation to a corporation, means the principal executive officer of the corporation for the time being, by whatever name called, and whether or not he is a director. (*Paragraph 10.02 MMLR)

²*Major shareholder** means a person who has an interest or interests in one or more voting shares in a corporation and the number or aggregate number of those shares, is:

- (a) 10% or more of the total number of voting shares in the corporation; or
- (b) 5% or more of the total number of voting shares in the corporation where such person is the largest shareholder of the corporation.

(For the purpose of this definition, “interest” shall have the meaning of “interest in shares” given in section 8 of the Companies Act 2016.)

Note: Director or Chief Executive and major shareholder 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 director or Chief Executive or major shareholder of the listed issuer, its subsidiary or holding company.*

³ Persons Connected in relation to any Person, means such person who fall under any one of the following categories:

- (a) A family member of the said person; Section 197(2)(a) Companies Act 2016 - a family member means spouse, parent, child, including adopted child and stepchild, brother, sister and spouse of child, brother or sister
- (b) A trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person is the sole beneficiary;
- (c) A partner of the said Person;
- (d) A person, or where the person if a body corporate, the body corporate or its directors, who is/ are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;
- (e) A person, or where the person if a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act;
- (f) A body corporate in which the said Person, or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate;
- (g) A body corporate which is a related corporation of the said Person.

RPT in relation to SRB refers to a transaction entered into by SRB and/or its subsidiaries, which involves the interest, direct or indirect, of its director, Chief Executive, major shareholder or person connected with such director, Chief Executive or major shareholder.

Director, Chief Executive and major shareholder 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 director or Chief Executive or major shareholder of SRB, its subsidiary or holding company.

Recurrent Related Party Transaction (“RRPT”) refers to a related party transaction which is recurrent, of a revenue or trading nature and which is necessary for day-to-day operations of a listed issuer or its subsidiaries. (Chapter 1 and Practice Note 12 MMLR)

The definition of RRPT is further elaborated as follows:

- a) ‘Recurrent’ is where a transaction which has been made or will be made by the listed issuer at least once in 3 years in the course of its business.
- b) ‘Revenue nature’ which is necessary for its day-to-day operations’, must either contribute directly, or indirectly to the generation of revenue for the listed issuer; and

- c) 'In the ordinary course of businesses, meaning it is a transaction that would reasonably be expected to be carried out by the listed issuer given the type of business it is involved in.

There are certain transactions that are not regarded as RPT and RRPT under Paragraph 10.08 (9) MMLR and Practice Note 12 of the MMLR and is exempted from any disclosure requirements, as attached in Appendix 1.

7.0 KEY ROLES WITHIN SRB GROUP

- 7.1 The CFO shall be the primary person responsible to maintain this RPT Policy and shall be the reference point for all matters pertaining to RPTs.

The CFO is also responsible:-

- (i) To maintain a list of transactions that are considered 'recurrent', 'revenue nature' and 'in the ordinary course of businesses for SRB and its subsidiaries ("Recurrent Transactions"). The list of Recurrent Transactions shall be as a general guide, is not exhaustive and shall be updated from time to time.
- (ii) To keep and maintain an RPT/RRPT Register which shall contain:
 - a) A list of all RPTs and RRPTs entered into by SRB and its subsidiaries in any one particular financial year.
 - b) All the RRPTs that have been approved by the shareholders of SRB for the year and a record of the actual amount transacted every month by the Transacting SRB Company.
- (iii) To update the RPT/RRPT paper on a quarterly basis to the Board Audit and Risk Committee
- (iv) To review all RPTs/RRPTS and to calculate the Percentage Ratio to determine whether an announcement or shareholders' approval is required pursuant to the MMLR;
- (v) To prepare the paper on the Proposed RPT/RRPT to BARC and the Board;
- (vi) To be responsible in monitoring, tracking and reporting of the status of the RPT/RRPT.

- 7.2 The LSD shall be responsible for the following:

- (i) To maintain an updated list of all Directors, Major Shareholders and Chief Executives of the SRB Group and persons connected to them (where this is made available to LSD). This SRB RP List shall be updated by LSD as and when there are any changes to the Directors, Major Shareholders and/ or Chief Executives of SRB and its subsidiaries;
- (ii) To review the proposal papers submitted by the Transacting SRB Companies in relation to RPT/RRPT to be entered into and to ensure adequacy of information and documents furnished;
- (iii) To prepare announcement to the Bursa if required;
- (iv) To assist in reviewing, from time to time, and when necessary, revising certain rules and guidelines as contained in this Policy; and

- (v) To update and advise the Head of Business Divisions, Head of Department, Subsidiaries of any new items and amendments to the MMLR in relation to RPT and RRPT disclosure.

7.3 All Directors in all the companies within the SRB Group shall be individually responsible as follows:

- (a) To declare his/her directorship, shareholdings or other interests in any other companies and persons connected to them as defined herein this Policy.
- (b) To declare and disclose his/her own direct and indirect interest in any known RPT/RRPT to be entered into by SRB or any of its subsidiaries on a timely manner. Pursuant to Paragraphs 10.08(6) to (8) of the MMLR, an interested director is imposed with an obligation:
 - (i) To ensure that the board of directors is notified of the nature and extent of his/her interests including all matters in relation to the Proposed RPT/RRPT that he/she is aware or should reasonably be aware of, which is not in the best interest of the listed issuer or its subsidiary, as the case may be;
 - (ii) To abstain from board deliberation and voting on the relevant resolution in respect of the transaction; and
 - (iii) To ensure that persons connected with him also abstain from voting on the relevant resolution in respect of the transaction.

Declaration and disclosure of RPT shall be via the **RPT Declaration & Disclosure Form** to be submitted to the LSD, as attached in Appendix 2.

7.4 All Directors, Chief Executives, Heads of Divisions and Departments (hereinafter referred to as “the Originator”) are responsible to identify and disclose any known RPTs to be entered into by SRB or its subsidiaries prior to execution of any contracts, agreements or transactions to give effect to the same. The Originator is also responsible to notify and furnish details of the transaction to the CFO for verification of whether it is an RPT/RRPT. The Originator together with the CFO responsible to prepare the proposal paper for the BARC and the Board to approve any RPTs or RRPTs.

BARC shall be responsible to review and evaluate the terms of the proposal put forth in relation to RPT to be entered into by the SRB and/ or its subsidiaries and to advise the Board that the RPT/RRPT is:-

- in accordance to the RPT Policy
- at arm’s length basis
- in accordance to normal commercial terms that are not prejudicial to the Company and not to the detriment of minority shareholders
- on terms not more favourable to the related party

7.5 The Board shall be responsible in deliberating the proposal papers on the RPTs and if required pursuant to the MMLR, to recommend for the shareholders’ approval.

8.0 DISCLOSURE REQUIREMENTS

RPT – Paragraph 10.08

The disclosure requirements of RPT as prescribed by MMLR are governed by percentage ratio threshold. The computation of the percentage ratio is provided in Appendix 3. The disclosure requirements are as follows:-

Value of RPT/ Percentage Ratio	Requirements
$\geq 0.25\%$	PLC must make immediate announcement as soon as possible after terms of the transaction have been agreed unless: <ul style="list-style-type: none">• the consideration value is < RM500,000; or• it is a Recurrent RPT
$\geq 5\%$	Unless exempted, PLC must: <ul style="list-style-type: none">• send a circular to shareholders;• obtain shareholders' approval in a general meeting; and• appoint an independent adviser who is a corporate finance adviser within the meaning of the SC's Principal Adviser Guidelines, before the terms of the transaction are agreed upon.
$\geq 25\%$	Unless exempted, PLC must: <ul style="list-style-type: none">• send a circular to shareholders;• obtain shareholders' approval in a general meeting;• advise the listed issuer whether such transaction is carried out on fair and reasonable terms and conditions, and not to the detriment of minority shareholders of the listed issuer;• ensure that such transaction complies with the relevant laws, regulations or guidelines, where applicable;• ensure full disclosure of all information required to be disclosed in the announcement and circular; and• confirm to the Exchange after the transaction has been completed and all the necessary approvals have been obtained, that it has discharged its responsibility with due care in regard to the transaction.

Other compliance matters:

- interested director in a RPT must inform the BOD of the Company or its subsidiaries, the details of the nature and extent of his interest, including all matters in relation to the proposed transaction that he is aware or should be aware of, which is not in the best interest of the Company
- Director with interest, direct or indirect must abstain from deliberation and voting on the resolution in respect of the RPT at the Board meeting

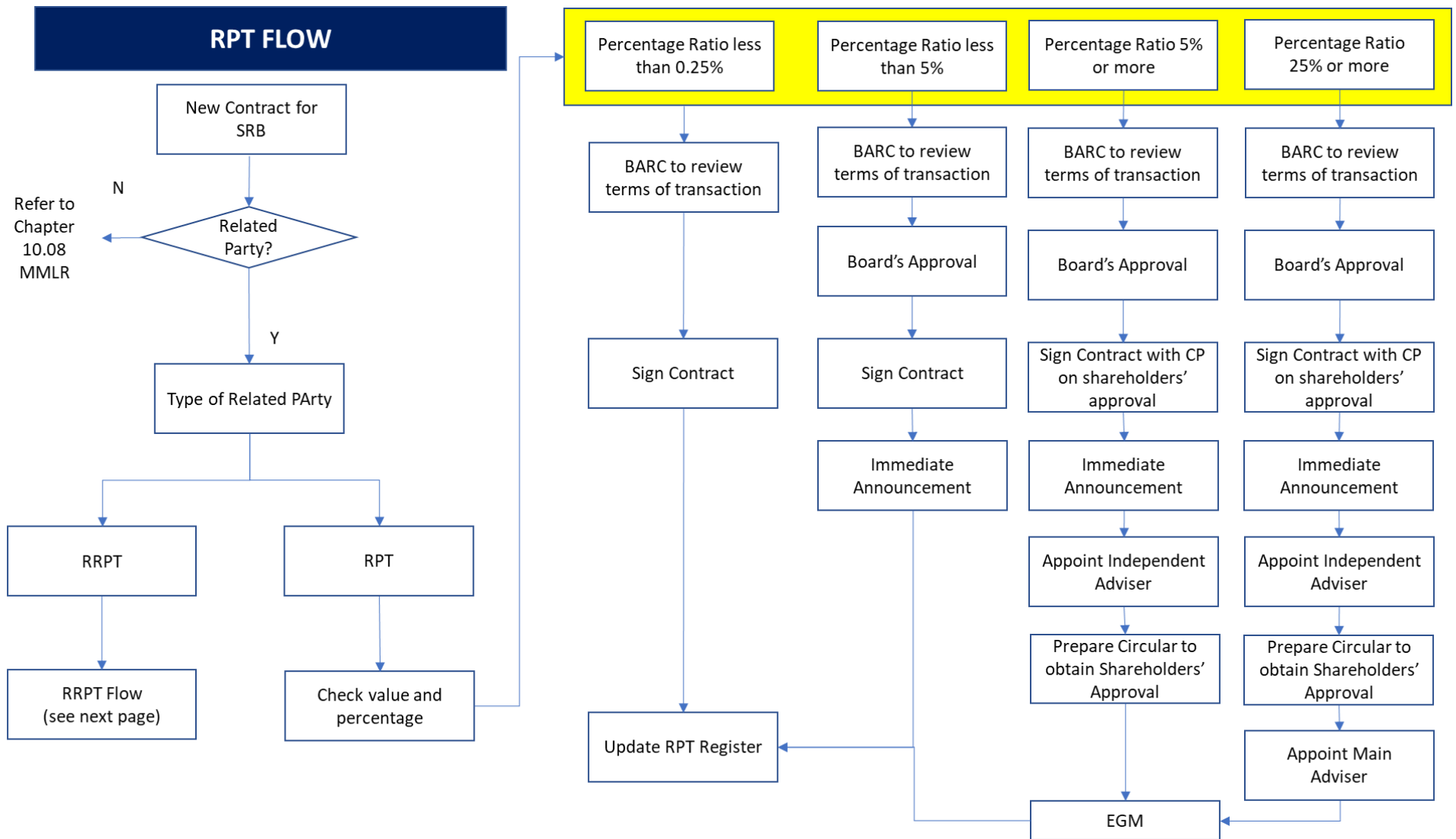
Recurrent RPT – Paragraph 10.09

Type of Action	Action Required
Immediate announcement	<p>Immediate announcement must be made where:</p> <ul style="list-style-type: none"> i) the consideration, value of the assets, capital outlay or cost for the Recurrent RPT is \geq RM1 million; or ii) the percentage ratio of such RRPT is \geq 1% <p>whichever is the higher</p>
Shareholders' Mandate	<p>Where an RRPT exceeds 5% of the Percentage Ratio, a listed issuer may seek general mandate from shareholders for the RRPT subject to the following:</p> <ul style="list-style-type: none"> a) the transactions 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; b) the shareholder mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholder mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under subparagraph 10.09 (1) of the MMLR; c) the listed issuer's circular to shareholders for the shareholder mandate includes the information as may be prescribed by the Exchange. The draft circular must be submitted to the Exchange together with a checklist showing compliance with such information; d) in a meeting to obtain shareholder or unit holder mandate, the relevant related party must comply with the requirements set out in paragraph 10.08(7) of the MMLR; and e) the listed issuer immediately announces to the Exchange when the actual value of a Recurrent Related Party Transaction entered into by the listed issuer, exceeds the estimated value of the Recurrent Related Party Transaction disclosed in the circular by 10% or more and must include the information as may be prescribed by the Exchange in its announcement. <p>The mandate in subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions. Interested parties and their connected persons are to abstain from voting at the general meeting. When variances for actual transaction exceeded by \geq 10% from the mandated limit, immediate announcement is to be made.</p>

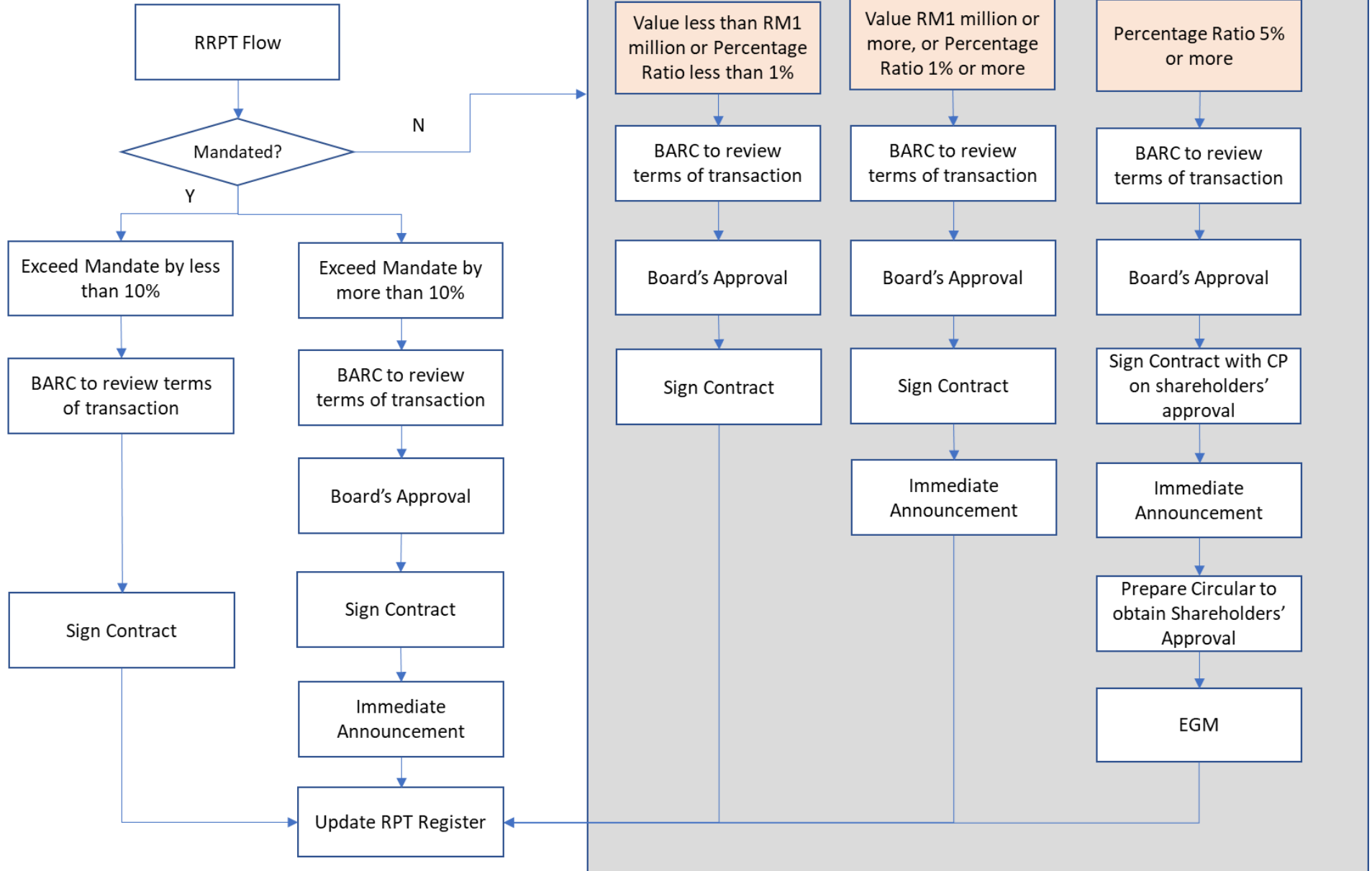
The non-compliance to the disclosure requirement may lead to:

- i. Private reprimand by Bursa
- ii. Public reprimand by Bursa
- iii. Trading halt
- iv. Suspension
- v. De-listing
- vi. Civil or criminal sanctions

An overview of the RPT and RRPT disclosure requirement is depicted in the chart below.



RRPT FLOW



9.0 RPT WORKFLOW

A process workflow for RPT and RRPT shall be established as a Standard Operating Procedure (“SOP”) to ensure that all RPTs and RRPTs entered into are in accordance with this Policy. The RPT workflow shall serve as a guide and shall comprise the following processes:

- 9.1 Identify – the process of identifying whether a transaction is a related party and the nature of the related party, ie. RPT or RRPT. At this level, the Contracting Part will be required to fill in the RPT External Declaration Form as attached in Appendix 4.
- 9.2 Compliance to MMLR – Upon determining the nature of RPT, the next step is to ensure compliance to the MMLR. In complying with the MMLR, there are 3 levels of approval that would be required, depending on the value of the RPTs and RRPTs, which are (i) BARC (b) Board and (c) Shareholders. In summary, all RPTs and RRPTs are required to be presented to the BARC. For RPTs and RRPTs that trigger the need for an immediate announcement, in addition to the BARC, it shall be submitted to the Board for prior approval. RPTs and RRPTs that require shareholders’ approval shall first be reviewed by the BARC and approved by the Board prior to obtaining shareholders’ approval. The RPT Paper to be prepared for the BARC and Board shall contain the information as listed in Appendix 5 attached.
- 9.3 Monitor and Report – This is a measure to ensure that all RPTs and RRPTs that have been approved at the relevant levels are entered into and conducted within the limits as approved. Any variations to the transactions are to be reported to the BARC and where necessary, to the Board and announced to the shareholders.

10.0 COMPLIANCE

- 10.1 This Policy shall be applicable throughout SRB and its subsidiaries and will be subject to review from time to time to ensure its relevance and applicability to the operations of the Group and to align with the MMLR and Companies Act 2016.
- 10.2 All directors (including the CFOs) and major shareholders are advised to refer to the MMLR, in particular, Chapter 10 of the said MMLR for further information. Any additional queries may also be directed to the LSD.
- 10.3 In addition to the approval requirement under this Policy, the Transacting SRB Companies are to adhere to the approval procedures and limits as stipulated under the LOA of SRB.

11.0 REFERENCE

The following documents have been used and referred to in coming out with the Policy:

- (a) Chapter 10 of the MMLR on Transactions
- (b) Practice Note 12 – Recurrent Related Party Transactions of the Bursa
- (c) Questions And Answers In Relation To Bursa Malaysia Securities Berhad Main Market Listing Requirements (As At 13 August 2020)

APPENDIX 1 TRANSACTIONS NOT NORMALLY REGARDED AS RPT/ RRPT

TRANSACTIONS NOT NORMALLY REGARDED AS RPT - Paragraph 10.08 (11) of the Listing Requirements)

The following transactions are not normally regarded as RPT, under Paragraph 10.08 (11) of Practice Note 12 of the MMLR:

- (a) The issue of securities by the Listed Issuer by way of cash (subject to paragraph 6.06), the issue of securities by way of bonus issue, the grant of options and the issue of securities arising from the exercise of options, under a Share Issuance Scheme (subject to compliance with Chapter 6), subscription of securities on a pro rata basis, subdivision of shares, consolidation of shares or payment of dividend;
- (b) [deleted]
- (c) A transaction between the Listed Issuer or its subsidiaries, and another person, where there are no other interested relationships except for common directorships provided that the directors who have common directorships have:-
 - (i) shareholdings in the other person which is less than 5% other than via the Listed Issuer; and
 - (ii) no other interest such as commission or other kinds of benefits received from the listed issuer or any of its subsidiaries or the other person in relation to the said transaction;
- (d) An acquisition or disposal by a Listed issuer or its subsidiaries, from or to a third party, of an interest in another corporation where the related party holds less than 10% in that other corporation other than via the listed issuer;
- (e) The provision or receipt of financial assistance or services by a licensed institution upon normal commercial terms and in the ordinary course of business, from a corporation whose activities are regulated by any written law relating to banking, finance corporations or insurance and are subject to supervision by Bank Negara Malaysia or an equivalent foreign regulatory authority as the Exchange deems appropriate;
- (f) Director's fees and remuneration, and employment remuneration;
- (g) A transaction between the Company or its subsidiaries, and another person for the provision or receipt of goods and services, which are considered exempted transactions where:
 - (i) the goods or services are purchased, sold or rendered based on a non-negotiable fixed price or rate which is published or publicly quoted;
 - (ii) all material terms including the prices or charges are applied consistently to all customers or classes of customers;

For the purposes of this subparagraph:-

- (i) "goods" excludes securities;
- (ii) "classes of customers" excludes such class by reason solely or otherwise that the customers are related parties of the listed issuer or its subsidiaries;

- (iii) "Exempted Transactions" means the following:
 - (aa) provision or usage of public utility services such as water, electricity, telecommunications, broadcasting services, postal or courier services, insurance, unit trusts, stockbroking services, public transport, education, medical services, provision or usage of tolled highways, hotel facilities and recreational services, provision or consumption of fuel on retail or food and beverage at eateries, provision or purchase of goods at retail outlets such as supermarkets, hypermarkets or departmental stores; and
 - (bb) such other types of transactions that may be prescribed by the Exchange from time to time;
- (h) The entry into or renewal of tenancy of properties of not more than 3 years, the terms of which are supported by an independent valuation;
- (i) A contract that is awarded by or on behalf of the Government of Malaysia or a State Government to the listed issuer or its subsidiary provided that the listed issuer immediately announces the contract to the Exchange and includes the information set out in Appendices 10A and 10C in the announcement;
- (j) A contract that is awarded by way of a public tender:-
 - (i) In relation to the listed awardee or its subsidiaries provided that the listed issuer, immediately announces to the Exchange the terms of the awarded contract, the value of at least 3 closest bids or if not applicable, such lesser number of bids received, and an explanation of the basis for selecting the winning bid; and
 - (ii) in relation to the successful listed bidder or its subsidiaries provided that:-
 - (aa) the awardee is listed or is a subsidiary of a listed issuer;
 - (bb) majority of the directors and members of the audit committees of the listed issuers (whether the bidder or the awardee or the holding companies of the bidder or awardee subsidiaries) are different; and
 - (cc) the listed bidder immediately announces the contract to the Exchange and includes the information set out in Appendices 10A and 10C in the announcement;
- (k) A transaction between the listed issuer or its subsidiaries and another person which involves the sharing of services or facilities provided by one or more of such parties or other similar arrangements whereby the consideration merely involves reimbursement or sharing of costs in proportion to the utilization of the services or facilities;
- (l) A transaction between the listed issuer or its subsidiaries and another person where there are no other interested relationships except for the related party having shareholdings in the other person which is less than 10% other than via the listed issuer;
- (m) A transaction between the listed issuer or its subsidiaries and another person where there are no other interested relationships except for
 - (i) common major shareholders; or
 - (ii) a person connected with a major shareholder being a major shareholder of the other person,

provided that the following conditions are satisfied:

- (aa) the major shareholder and/or the person connected with the major shareholder is/are not the largest shareholder of the listed issuer;
- (bb) the major shareholder and/or the person connected with the major shareholder is/are not a party to the said transaction, initiator, agent or involved in any other manner in the said transaction;
- (cc) the major shareholder does not have any representative in an executive capacity on the board of directors of the listed issuer or any of its subsidiaries; and
- (dd) the major shareholder is:-
 - (A) A statutory institution who is managing funds belonging to the general public;
 - (B) A closed end fund, unit trust or investment fund (but excluding an investment holding corporation); or
 - (C) An insurance corporation whose activities are regulated by any written law relating to insurance and are subject to supervision by Bank Negara Malaysia or an equivalent foreign regulatory authority as the Exchange deems appropriate, and the said insurance corporation is managing its insurance fund (together with its own shareholders' funds or otherwise). For the purposes of this subparagraph, "**insurance fund**" has the meaning given in section 2 of the Financial Services Act 2013;
- (n) A transaction between a listed issuer and another person where there are no other interested relationships except for a related party who is a director or major shareholder of a subsidiary of a listed issuer or person 8 connected with such director or major shareholder having an interest in the transaction;
- (o) A transaction between a subsidiary of a listed issuer ("**transacting subsidiary**") and another person where there are no other interested relationships except for a related party who is a director or major shareholder of a subsidiary of the listed issuer (other than the transacting subsidiary or holding companies of the transacting subsidiary) or a person connected with such director or major shareholder having an interest in the transaction;
- (p) Subscription to or acquisition by a listed issuer or its subsidiaries not listed on any stock exchange, of debt securities and/or redeemable preference shares issued or guaranteed by the Government of Malaysia, Bank Negara Malaysia, a State Government or an equivalent foreign regulatory authority as the Exchange deems appropriate; or
- (q) A disposal by a listed issuer or any of its subsidiaries of an interest in an investee corporation where a related party is also a major shareholder or person connected with a major shareholder of the investee corporation (other than via the listed issuer), provided that:
 - (i) The related party, person connected with the related party or both, are not a party, initiator or agent to the said disposal; and

- (ii) The disposal is effected on the Exchange where the counterparty's identity is unknown to the listed issuer or its subsidiaries (as the case may be) at the time of the disposal.

For the purpose of this subparagraph (q), a “**disposal**” includes a disposal by a listed issuer or any of its subsidiaries of an interest in an investee corporation on a pro-rata basis or arising from an acceptance of a take-over offer, except that sub-paragraph (q)(ii) above will not be applicable in such instances.

TRANSACTIONS NOT NORMALLY REGARDED AS RRPT – Paragraph 3.2 of Practice Note 12 of the MMLR

The following are not normally regarded as RRPT, and as such the mandate from shareholders in respect of RRPT shall not apply:

- (a) the acquisition or disposal of land or land-based property except in the circumstances set out in paragraph 3.3(a) below;
- (b) the acquisition or disposal of vessels, air crafts and plants;
- (c) the entry into a lease of:-
 - (i) a property for a period exceeding 3 years; or
 - (ii) such other assets, which involve payments of rental or such consideration on a lump sum basis (i.e. other than on an equal pro-rated monthly or annual installments);
- (d) the provision of financial assistance pursuant to paragraph 8.23 of the Listing Requirements;
- (e) the acquisition or disposal of securities except in the circumstances set out in paragraph 3.3(b) below;
- (f) the entry into joint ventures;
- (g) the grant or exercise of an option in relation to matters set out in subparagraph (a), (b), (c) and (e) above; and
- (h) such other transactions as may be determined by the Exchange from time to time.

APPENDIX 2 DECLARATION OF RELATED PARTY TRANSACTION

Date:

Sapura Resources Berhad
No 7, Jalan Tasik
The Mines Resort City
43300 Seri Kembangan
Selangor

DECLARATION OF RELATED PARTY TRANSACTION

Pursuant to Paragraphs 10.08 and 10.09 of the MMLR, I
_____ NRIC: _____ of

hereby disclose my interest in the following transaction:

A. Parties to the Transaction

SRB Transacting Party :
Name Of Contracting Party :
Type of Transaction/ Service Rendered :

B. Terms of the Transaction

Term of the contract :
Value of Contract :

C. Nature of Relationship :

Parties to the Transaction	Name Of Related Party	Designation in Company	Relationship

Signed by the abovenamed*,

NAME:

NRIC

DESIGNATION:

DATE:

COMPANY'S STAMP:

APPENDIX 3 PERCENTAGE RATIO

The Percentage Ratio Calculation below is extracted from Part B, Paragraph 10.02 (g) of the MMLR and simplified for ease of reference.

Percentage Ratio Calculation means the figures, expressed as a percentage, resulting from each of the following calculations

:

- (i) Value of the assets which are the subject matter of the transaction
Net assets of SRB
- (ii) Net profits of the assets which are the subject matter of the transaction
Net profits attributable to the owners of SRB (before other comprehensive income or loss);
- (iii) Aggregate value of the consideration given or received in relation to the transaction
Net assets of the listed issuer;
- (iv) Number of shares issued by the listed issuer as consideration for an acquisition
Total number of shares previously in issue (excluding treasury shares)
- (v) Aggregate value of the consideration given or received in relation to the transaction
Market value of all the ordinary shares of the listed issuer (excluding treasury shares)
- (vi) Total assets which are the subject matter of the transaction
Total assets of the listed issuer

In respect of joint ventures, business transactions or arrangements,

- (vii) Total project cost attributable to the listed issuer
Total assets of the listed issuer

Or in the case where a joint venture corporation is incorporated as a result of the joint venture,

Total equity participation of the listed issuer in the joint venture corporation
(Based on the eventual issued capital of the joint venture corporation)
Net assets of the listed issuer

The value of the transaction should include shareholders' loans and guarantees to be given by the listed issuer;

- (viii) Aggregate original cost of investment of the subject matter of the transaction
Net assets of the listed issuer

in the case of a disposal and where the acquisition of the subject matter took place within last 5 years

Date :

SAPURA RESOURCES BERHAD,
No.7, Jalan Tasik,
The Mines Resort City,
43300 Seri Kembangan,
Selangor.

Dear Sirs,

RELATED PARTY TRANSACTION DECLARATION NOTICE

- [insert service provider's company name]

Sapura Resources Berhad (Company no. 3136-D) a company registered under the Companies Act 1965 having its registered address at Sapura@Mines, No.7, Jalan Tasik, The Mines Resort City, 43300 Seri Kembangan, Selangor ("SRB") being a listed company on the Bursa Malaysia requires to strictly observe Chapter 10 of the Main Market Listing Requirement (MMLR) on each and every transaction entered by SRB.

In consideration that SRB is agreeable to enter into a transaction with us, we hereby declare and shall observe the followings:-

1. We make this declaration in full knowledge and awareness of SRB or SRB group of companies shall rely on this declaration as basis to enter into this transaction with us;
2. We hereby represent and warrants that:
 - a) We are not in default in the payment of or performance of any of our obligations for monies borrowed by us from any lender;
 - b) No statutory demand has been served nor any bankruptcy or winding up or legal proceedings commenced against us to our knowledge;
 - c) All information stated in this application is true, complete and correct in all respects
 - d) None of our directors have been declared a bankrupt nor there are any bankruptcy petition pending or threatened against them.
3. Confirm that none of our substantial shareholders, directors, managers, agents or guarantors is an employee/ director (or spouse, dependent of the spouse, child, spouse of the child, parent, sibling or spouse of the sibling of the employee/director) of SRB or SRB group of companies. Confirm that none of our guarantor(s) is an employee/ director or spouse, dependent of the spouse, child, spouse of the child, parent, sibling or spouse of the sibling of the employee/ director of SRB or SRB group of companies.

4. Confirm that none of our spouse(s), dependent(s) of our spouse(s), our children, spouse(s) of our children, our parent(s), our sibling(s) and/or spouse(s) of our sibling(s) are employee(s)/director(s) of SRB or SRB group of companies.
5. We are not related party to SRB or SRB group of companies and as such this transaction entered herein is not a Related Party Transaction (RPT) as defined under Chapter 10 Part E of the MMLR. For avoidance of doubt, RPT means a transaction entered into by the listed issuer or its subsidiaries which involves the interest, direct or indirect, of a related party
6. We agree to comply and be bounded by SRB's RPT policy and upon request made by SRB or SRB group of companies shall disclose details of any transactions entered by us or any of our subsidiaries if SRB in its sole discretion deems such transaction is considered as an RPT for reporting purposes.
7. In the event that this transaction entered is to be considered as an RPT, SRB or SRB group of companies shall have the right to determine and ensure that the RPT are carried out in the ordinary course of business, are made at arm's length and on normal commercial terms which are not more favourable to the related party or parties than those generally available to the public and are not on terms that are detrimental to the minority shareholders of SRB.
8. In the event that our declaration herein is found to be untrue, false and misleading, we hereby agree to indemnify and continue to keep SRB or SRB group of companies fully indemnified against all, damages, costs and expenses (including, without limitation, professional fees, court, arbitration and other proceedings costs, bank interests and other costs incurred or suffered by the SRB or SRB group of companies in enforcing this indemnity), losses, liabilities arising out of or in any way connected with this transaction entered by SRB with us.

Dated this day of

2015.

**For and on behalf of :
[service provider's company]**

**[the authorised person name]
(the authorised person designation)**

APPENDIX 5 RPT PAPER FORMAT

The information required for the RPT Paper at minimum shall include the following:

1. Description of transaction
2. Parties to the transaction – the related party and relationship
3. Relevant details of transaction – value & percentage ratio, calculations based on MMLR. Percentage ratio calculations based on the 8 methods in MMLR.
4. Nature of transaction, explanation of related party's interest and if RRPT, how transactions meet relevant criteria of RRPT
5. Whether advisors are appointed
6. Whether any other approvals are required
7. Rationale for the transaction and cost and benefits to the Company
8. Comparative quotes, if available, including sources, methods & procedures through which transaction prices are determined
9. Justification on why transaction must be undertaken with related party
10. Explain of how "arm's length was maintained during negotiations and in ensuring negotiations and terms to the RPT/RRPTs were carried out on commercial basis
11. Explain why the terms are considered fair and reasonable
12. Explain why transaction is considered in the best interest of the Company
13. Explain why the terms ARE NOT detrimental to minority shareholders
14. Management recommendation