

DISCRETIONARY AUTHORITY LIMITS**Introduction**

Operating and capital expenditures are controlled by annual budgets approved by the Board. These budgets set the general level of expenditure, but leave large numbers of individual expenditure decisions which have to be authorised during the year at appropriate levels.

1. Discretionary Limits

1.1 Discretionary limits for approving capital expenditure items and transactions shall be established as follows:

No.	Description	Limit (RM)	Approval level
1.	Source for and lock in investment / divestment in real estate properties.	-	Board
2.	Investment in publicly traded debt or equity securities.	Below RM3M	Executive Director
		RM3M and above	The Board
3.	Investment of capital nature where acquisition is not in the ordinary course of business.	Any amount	The Board
4.	Ordinary capital expenditure required in the course of business not budgeted previously.	Below RM1.5M	Executive Director
5.	Investment of surplus cash assets.	At least 50% can be invested in minimum in equivalent of Grade A bonds or blue chip equity and remaining 50% in any other securities	The Board

- 1.2 Expenditure requiring approval of the Executive Director and/or the Board shall be accompanied by appropriate supporting business and financial data to support its viability and facilitate consideration of the Executive Director and/or the Board members. [The approvals granted by the Board/Executive Director should include material limits/parameters in relation to implementation, e.g. price/price range, etc.]
- 1.3 For capital expenditure items and investment approved on a block basis by the Board and Executive Director, approval shall be deemed to have been obtained when individual transactions are carried out on the condition that the cumulative amount transacted does not exceed the original approved limit.
- 1.4 Other than the capital expenditure and investment transactions which are governed by the discretionary authority limits as set out above, the Executive Director shall be responsible to decide and review the appropriate discretionary authority limits for all types of operational transactions in the ordinary course of conducting business for their divisions.
- 1.5 The approval limits shall be subject to the approval of the Board and reviewed and revised from time to time as appropriate. In addition, the Group is expected to comply with the Bursa Malaysia Listing Requirements in relation to transactions, e.g. requirements in relation to announcements and shareholders' approval at General Meeting.
- 1.6 This Discretionary Authority Limits should be read in conjunction with **App M: Investment Policy**.

2. Review

- 2.1 This schedule will be subjected to review from time to time by the Board and any amendments are to be approved by the Board before becoming effective.

3. Effective Date

- 3.1 This schedule is effective 13 September 2018.