

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Bursa Malaysia Securities Berhad ("Bursa Securities") has perused the Proposed Shareholders' Mandate as defined herein on a limited review basis pursuant to the Main Market Listing Requirements of Bursa Securities. Bursa Securities takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



(Company No. 5350-X)  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS**

in relation to the

**Proposed Shareholders' Mandate for  
Recurrent Related Party Transactions of a Revenue or Trading Nature**

The above proposal will be tabled as Special Business at the 50<sup>th</sup> Annual General Meeting of Guinness Anchor Berhad ("the Company") to be held at Grand Ballroom, Connexion @ Nexus, No. 7 Jalan Kerinchi, Bangsar South City, 59200 Kuala Lumpur, Malaysia on Friday, 28 November 2014 at 10.00 a.m. or any adjournment thereof. Notice of the 50<sup>th</sup> Annual General Meeting together with the Form of Proxy are set out in the abridged version of the Company's Annual Report 2014, which is despatched together with this Circular.

A member entitled to attend and vote at the meeting may only appoint one (1) proxy to attend and vote in his stead. The Form of Proxy should be completed and lodged at the Share Registrar's office at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not later than 48 hours before the time of the meeting or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : Wednesday, 26 November 2014 at 10.00 a.m.  
Date and time of the 50<sup>th</sup> Annual General Meeting : Friday, 28 November 2014 at 10.00 a.m.

This Circular is dated 6 November 2014

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## DEFINITIONS

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The following definitions shall apply throughout this Circular unless the context requires otherwise:

AGM	:	Annual General Meeting
API	:	Asia Pacific Investments Pte Ltd, Person Connected to GAPL
Board	:	Board of Directors of the Company
Bursa Securities	:	Bursa Malaysia Securities Berhad (635998-W)
Circular	:	This Circular dated 6 November 2014 to shareholders of Guinness Anchor Berhad on Proposed Shareholders' Mandate
Diageo	:	Diageo Plc, Person Connected to GAPL
Diageo Group	:	Diageo Plc and its subsidiaries and associated companies, collectively
Director(s)	:	Director(s) of Guinness Anchor Berhad which 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 of the Company or any of its subsidiaries or holding company or a chief executive of the Company, its subsidiary or holding company pursuant to the Listing Requirements
GAB or the Company	:	Guinness Anchor Berhad (5350-X)
GAPL	:	GAPL Pte Ltd, a Major Shareholder of the Company holding 51% equity interest in the Company as of 10 October 2014
GOL	:	Guinness Overseas Ltd, Person Connected to GAPL
the Group	:	GAB and its subsidiaries
HAPPL	:	Heineken Asia Pacific Pte Ltd, Person Connected to GAPL
Heineken	:	Heineken N.V., Person Connected to GAPL
Heineken Group	:	Heineken N.V. and its subsidiaries and associated companies, collectively
Heineken International	:	Heineken International B.V., Person Connected to GAPL
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities and practice notes issued thereunder including any amendments thereto that may be made from time to time
Major Shareholder(s)	:	A person who, within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, has an interest or interests in one or more voting shares in GAB (or any other corporation which is a subsidiary) and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is:  (a) 10% or more of the aggregate of the nominal amounts of all the voting shares in the Company; or  (b) 5% or more of the aggregate of the nominal amounts of all the voting shares in the Company where such person is the largest shareholder of the Company

For the purpose of this definition, "interest in shares" shall have the meaning given in Section 6A of the Companies Act, 1965

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## DEFINITIONS (cont'd)

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- Person(s) Connected : In relation to a Director or Major Shareholder, means such person(s) who fall(s) under any one of the following categories:
- i) a member of the Director's or Major Shareholder's family, which family shall have the meaning given in Section 122A of the Companies Act, 1965;
  - ii) a trustee of a trust (other than a trustee for an employee share option scheme or pension scheme) under which the Director, Major Shareholder or a member of the Director's or Major Shareholder's family is the sole beneficiary;
  - iii) a partner of the Director, Major Shareholder or a partner of a Person Connected with that Director or Major Shareholder;
  - iv) a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;
  - v) a person in accordance with whose directions, instructions or wishes the Director or Major Shareholder is accustomed or is under an obligation, whether formal or informal, to act;
  - vi) a body corporate or its Directors which/who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;
  - vii) a body corporate or its Directors whose directions, instructions or wishes the Director or Major Shareholder is accustomed or under an obligation, whether formal or informal, to act;
  - viii) a body corporate in which the Director, Major Shareholder and/or Persons Connected with him are entitled to exercise, or control the exercise of, not less than 15% of the votes attached to voting shares in the body corporate; or
  - ix) a body corporate which is a related corporation
- Proposed Shareholders' Mandate : Proposed renewal of existing Shareholders' Mandate for recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Group as set out in Section 2.3 herein
- Related Party(ies) : A Director, Major Shareholder or Person Connected with such Director or Major Shareholder including any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a Director or a Major Shareholder of the Company, its subsidiary and/or holding company. For the purpose of the Proposed Shareholders' Mandate, the Related Parties are GAPL, Diageo Group and Heineken Group
- Recurrent Related Party Transaction(s) : A recurrent related party transaction of a revenue or trading nature which is necessary for the day-to-day operations of the Group and has been made or will be made in the ordinary course of the Group's business

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(Company No. 5350-X)  
(Incorporated in Malaysia)

**Registered Office**  
Sungei Way Brewery  
Lot 1135, Batu 9  
Jalan Klang Lama  
P.O. Box 144  
46710 Petaling Jaya  
Selangor Darul Ehsan

6 November 2014

## **Board of Directors**

Dato' Saw Choo Boon	: Chairman, Independent Non-Executive Director
Hans Essaadi	: Managing Director
Martin Giles Manen	: Senior Independent Non-Executive Director
Dato' Syed Salleh bin Syed Othman	: Independent Non-Executive Director
Datin Ngiam Pick Ngoh, Linda	: Independent Non-Executive Director
Michiel Egeler	: Non-Independent Non-Executive Director
Kenneth Choo Tay Sian	: Non-Independent Non-Executive Director
Apurvi Haridas Sheth @ Apurvi Sheth Mirpuri	: Non-Independent Non-Executive Director
Alvaro Andres Cardenas Munoz	: Non-Independent Non-Executive Director

To the shareholders of Guinness Anchor Berhad

Dear Sir/Madam,

## **PROPOSED SHAREHOLDERS' MANDATE**

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### **1. INTRODUCTION**

The Company had at its 49<sup>th</sup> AGM held on 21 November 2013, obtained a mandate from its shareholders for the Group to enter into recurrent related party transactions of a revenue or trading nature, which are necessary for the day-to-day operations in the ordinary course of business of the Group. The said mandate for recurrent related party transactions will, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming 50<sup>th</sup> AGM scheduled for 28 November 2014 unless authority for its renewal is obtained from the shareholders of the Company at the said AGM.

In connection thereto, on 24 October 2014, the Company announced to Bursa Securities that it proposes to seek shareholders' approval for the Proposed Shareholders' Mandate at the forthcoming 50<sup>th</sup> AGM to be held on 28 November 2014.

The purpose of this Circular is to provide you with information on the Proposed Shareholders' Mandate and to seek your approval for the resolution relating to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM or any adjournment thereof. The Notice of AGM detailing the relevant resolution for the Proposed Shareholders' Mandate is contained in the 2014 Annual Report of the Company.

**SHAREHOLDERS OF GAB ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS' MANDATE.**

## **2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE**

### **2.1 Provisions under the Main Market Listing Requirements**

Pursuant to Paragraph 10.09(2) of the Listing Requirements, a listed issuer may seek a mandate from its shareholders to enter into recurrent related party transactions which are necessary for the day-to-day operations of the listed issuer and its subsidiaries, subject to the following:

- i) 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;
- ii) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under Paragraph 10.09(1) of the Listing Requirements;
- iii) in a meeting to obtain shareholders' mandate, the interested Director, interested Major Shareholder or interested Person Connected with a Director or Major Shareholder and where it involves the interest of an interested Person Connected with a Director or Major Shareholder, such Director or Major Shareholder, must not vote on the resolution approving the transactions. An interested Director or interested Major Shareholder must ensure that Persons Connected with him/her abstain from voting on the resolution approving the transactions; and
- iv) immediately announce to Bursa Securities when the actual value of a recurrent related party transaction entered into by the Company, exceeds the estimated value of the recurrent related party transactions disclosed in the circular to shareholders by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

It is anticipated that companies within the Group would, in the ordinary course of business, enter into Recurrent Related Party Transactions which are detailed in Section 2.3 of this Circular and that such transactions will continue to occur with some degree of frequency and may arise at any point in time.

In view of the forthcoming expiry of the Shareholders' Mandate, and the time-sensitivity, confidential and the frequent nature of such Recurrent Related Party Transactions, the Board is seeking shareholders' approval for the Proposed Shareholders' Mandate at the forthcoming 50<sup>th</sup> AGM of the Company for the Group to enter into the Recurrent Related Party Transactions as set out in Section 2.3 below. Such transactions are to be entered into at arm's length and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and which will not be detrimental to the minority shareholders of the Company. Such Recurrent Related Party Transactions will be subject to the review procedures as set out in Section 2.4 below.

The Proposed Shareholders' Mandate will take effect from the passing of the ordinary resolution proposed at the forthcoming AGM and shall continue to be in force (unless revoked or varied by the Company in general meeting) until the conclusion of the next AGM of the Company. Thereafter, approval from the shareholders for subsequent renewals will be sought at each subsequent AGM of the Company.

Disclosure will be made in the Company's Annual Report detailing the aggregate value of the Recurrent Related Party Transactions conducted pursuant to the Proposed Shareholders' Mandate during the financial year and in the Annual Reports for subsequent financial years during which the Shareholders' Mandate continues in force.

## 2.2 Related Parties

The Proposed Shareholders' Mandate will apply to Recurrent Related Party Transactions with the following Related Parties (with their principal activities and relationship with the Company detailed below):

<b>Name of Related Parties</b>	<b>Principal Activities</b>	<b>Relationship</b>
GAPL	Investment holding and distribution of stout in Singapore	Major Shareholder of the Company
Diageo Group	Worldwide consumer goods company with businesses in brewing and marketing of Guinness Foreign Extra Stout and other brands of beer, spirits and wines	Diageo is deemed a Major Shareholder of the Company by virtue of its indirect shareholding in GAPL
Heineken Group	Production and distribution of beer and stout worldwide	Heineken is deemed a Major Shareholder of the Company by virtue of its indirect shareholding in GAPL

The direct and indirect interests of interested Directors and/or Major Shareholders in the Company as at 10 October 2014 are shown in Section 6 below.

## 2.3 Nature of Recurrent Related Party Transactions

The Group and the Company are principally engaged in the production, packaging, marketing and distribution of beverages, primarily alcoholic.

It is envisaged that in the ordinary course of business of the Group, transactions of a revenue or trading nature between the Group and the Related Parties are likely to occur with some degree of frequency which are necessary for our day-to-day operations.

All estimated values of the respective Recurrent Related Party Transactions from the date of the forthcoming AGM to the next AGM are estimated based on the past transactions entered into by the Group and the Related Parties as well as estimates made based on management's projected sales/businesses, orders and agreements. The actual value of these transactions may vary from the estimated value disclosed below.

Details of recurrent related party transactions carried out/contemplated shall include, but not be limited to, the following:

<b>Related Parties</b>	<b>Nature of Transactions</b>	<b>Estimated aggregate value as disclosed in the Circular to Shareholders dated 30 October 2013 (RM'000)</b>	<b>Actual value transacted since last AGM till 10 October 2014 (RM'000)</b>	<b>Estimated aggregate value from 50<sup>th</sup> AGM to the next AGM (RM'000)</b>
Diageo Group	1. Purchase of manufacturing and marketing materials from Diageo Group	20,000	11,659	20,000
	2. Purchase of beverage products from Diageo Group	3,000	2,204	5,000
	3. Royalties paid/payable to Diageo Group for licence to brew Guinness Foreign Extra Stout, Guinness Draught, Kilkenny, Malta and Anglia Shandy	20,000	11,694	20,000
	4. Sale of beverage products to Diageo Group	20,000	12,337	20,000
Heineken Group	1. Purchase of manufacturing and marketing materials from Heineken Group	20,100 (Note)	8,271	20,100
	2. Purchase of beverage products from Heineken Group	2,000	1,526	6,000
	3. Fees paid/payable to Heineken Group for engineering and technical services	1,500	181	1,500
	4. Royalties paid/payable to Heineken Group for licence to brew Heineken Beer, Tiger Beer, Anchor Smooth and Anchor Strong Beer	40,000 (Note)	27,274	40,500
	5. Sale of beverage products to Heineken Group	10,000	0	8,000
	6. Fees received/receivable from Heineken Group for marketing and advertising services	24,000 (Note)	19,605	25,500

Notes:

*The amount stated therein includes the estimated aggregate value provided for similar nature of transactions with the Heineken Asia Pacific Pte Ltd Group in the previous mandate. This is because Heineken Asia Pacific Pte Ltd has, since 15 November 2013, become a wholly-owned subsidiary of Heineken International B.V. and as such, all transactions entered or to be entered into by the Group with Heineken Asia Pacific Pte Ltd are and will be consolidated and reported under the Heineken Group.*

None of the actual value of the recurrent related transactions as disclosed above exceeds the estimated value by 10% or more.

As of the financial year ended 30 June 2014, there is no amount due and owing to the Company by its related parties arising from the Recurrent Related Party Transactions that exceeded the credit term.



## 2.4 Guidelines and Review Procedures for Recurrent Related Party Transactions

To ensure that such Recurrent Related Party Transactions are conducted at arm's length and on normal commercial terms consistent with the Group's usual business practices and policies and will not be prejudicial to the Company's shareholders, the following principles will apply:

- i) transactions with the Related Parties will only be entered into after taking into account the pricing, level of service, quality of product, market forces and other related factors on terms not more favourable to the Related Parties than those generally available to the public and not detrimental to the minority shareholders of the Company;
- ii) transactions with Related Parties will only be entered into under similar commercial terms for transactions with unrelated third parties, which depend on the demand and supply of the products and subject to the availability of the products in the domestic market;
- iii) should a cost plus basis of pricing be used, the appropriate mark-up to cost shall be determined on an arm's length price based on a percentage earned by the Company on unrelated party transactions which are the same or very similar to the related party transactions;
- iv) at least two (2) other contemporaneous transactions with unrelated third parties for similar products / services and / or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to / by the Related Parties are fair and reasonable and comparable to those offered to / by other unrelated third parties for the same or substantially similar type of products / services and /or quantities. For certain products / services of which quotation or comparative pricing from unrelated third parties cannot be obtained (for instance, if there are no unrelated third party vendors / customers of similar products or services, or if the product / service is a proprietary item), the transaction price will be determined by the Group based on those offered by / to other related parties for the same or substantially similar type of transaction to ensure that the price and terms of the Recurrent Related Party Transaction are fair and reasonable to the Group; and
- v) there is no specific threshold for approval of Recurrent Related Party Transactions within the Group. However, all recurrent related party transactions are subject to the approval by the Audit Committee from time to time.

The Group has established the following procedures to ensure that the transactions with Related Parties are undertaken on arm's length basis and on normal commercial terms, and on transaction prices and terms not more favourable to the Related Parties than those generally available to the public:

- i) a list of Related Parties will be circulated to the companies within the Group to notify that all transactions with Related Parties are required to be undertaken on an arm's length basis and independent of undue influence from Related Parties and on normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public;
- ii) all transactions with Related Parties, regardless of the transaction value, will be reviewed by the sub-committee which is appointed and authorised by the Audit Committee of the Company;
- iii) a register will be maintained by the Group to record all transactions with Related Parties which are entered into pursuant to the Proposed Shareholders' Mandate;

- iv) the internal audit will conduct periodic reviews of all identified and reported transactions with Related Parties to determine whether internal guidelines and procedures have been complied with. The internal audit will also conduct an annual review of the system of controls to ensure that all Recurrent Related Party Transactions are identified and reported; and
- v) the Board and the Audit Committee will review the internal audit reports and/or any other reports required from time to time to determine whether established guidelines and procedures have been adhered to and if there is a need for further review or to improve the procedures.

Where any Director or any Person Connected with him/her has an interest (direct or indirect) in any Recurrent Related Party Transaction, such Director shall abstain from deliberation and voting on any decision to be taken by the Board in respect of such Recurrent Related Party Transaction, if any. Where any member of the Audit Committee is interested in any Recurrent Related Party Transaction, that member shall abstain from deliberation and voting on any decision to be taken by the Audit Committee with respect to such transaction.

Pursuant to Paragraph 10.09 of the Listing Requirements, in a meeting to obtain the Proposed Shareholders' Mandate, the interested Director, interested Major Shareholder or interested Person Connected with a Director or Major Shareholder; and where it involves the interest of an interested Person Connected with a Director or Major Shareholder, such Director or Major Shareholder must not vote on the resolution approving the transactions.

An interested Director or interested Major Shareholder must also ensure that Persons Connected with him/her abstain from voting on the resolution approving the transactions. Interested Directors shall also abstain from deliberating at Board meetings in respect of the Recurrent Related Party Transactions in which they are interested.

Disclosure will be made in the Company's Annual Report detailing the aggregate value of transactions conducted pursuant to the Proposed Shareholders' Mandate during the financial year. Disclosure will also be made in the Annual Reports for subsequent financial years during which the Shareholders' Mandate remains in force.

The Proposed Shareholders' Mandate, if approved at the forthcoming 50<sup>th</sup> AGM, will continue to be in force until the next AGM of the Company. Thereafter, shareholders' approval will be sought for the renewal of such mandate at each subsequent AGM subject to a satisfactory review by the Audit Committee of its continued application to Recurrent Related Party Transactions.

## **2.5 Statement by Audit Committee**

The Audit Committee has the overall responsibility of determining whether the procedures and processes for monitoring, tracking and reviewing Recurrent Related Party Transactions are adequate and appropriate. The Audit Committee also has the authority to delegate this responsibility to such individuals within the Company as it shall deem fit. The Audit Committee shall review and ascertain whether the guidelines and procedures established to monitor Recurrent Related Party Transactions have been complied with.

The Audit Committee has the discretion to request for limits to be imposed or for additional procedures to be followed if it considers such a request to be appropriate. In that event, such limits or procedures may be implemented without the approval of shareholders, provided that they are more stringent than the existing limits or procedures.

The Audit Committee of the Company has reviewed the terms of the Proposed Shareholders' Mandate and is satisfied that the review procedures for Recurrent Related Party Transactions, as well as the annual review by the Audit Committee in relation thereto, are sufficient to ensure that Recurrent Related Party Transactions will be made at arm's length basis and on normal commercial 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, and hence, will not be prejudicial to the shareholders or disadvantageous to the Group.

The Group has in place adequate procedures and processes for monitoring, tracking and identifying Recurrent Related Party Transactions in a timely and orderly manner, and such procedures and processes are reviewed on an annual basis or whenever the need arises.

## **2.6 Validity period**

The authority to be conferred pursuant to the Proposed Shareholders' Mandate, if approved at the forthcoming AGM, will continue to be in force until:

- i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposed Shareholders' Mandate is approved, at which time it will lapse unless the authority is renewed by a resolution passed at a general meeting of the Company; or
- ii) the expiration of the period within which the next AGM of the Company after the forthcoming AGM is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act, 1965); or
- iii) revoked or varied by resolution passed by the shareholders in a general meeting, whichever is the earlier.

Thereafter, approval from the shareholders for subsequent renewals of the mandate will be sought at each subsequent AGM of the Company subject to a satisfactory review by the Audit Committee of its continued application to Recurrent Related Party Transactions.

## **3. RATIONALE AND BENEFITS OF THE PROPOSED SHAREHOLDERS' MANDATE**

The Recurrent Related Party Transactions entered or to be entered into by the Group are all in the ordinary course of business. They are recurring transactions of a revenue or trading nature which are likely to occur with some degree of frequency and may arise at any point in time. These transactions may be constrained by the time-sensitive nature and confidentiality of such transactions, and it may be impractical to seek shareholders' approval on a case-by-case basis before entering into such Recurrent Related Party Transactions. As such, the Board is seeking a shareholders' mandate pursuant to Chapter 10, Paragraph 10.09 of the Listing Requirements to allow the Group to enter into Recurrent Related Party Transactions described in Section 2.3 above.

The Recurrent Related Party Transaction, as outlined in Section 2.3 above, are made on arm's length basis and on normal commercial 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 and which are not prejudicial to the interest of the shareholders.

By obtaining the Proposed Shareholders' Mandate, the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such Recurrent Related Party Transactions occur would be eliminated. This would substantially reduce administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group.

The Recurrent Related Party Transactions are intended to meet the business requirements of the Group at the best possible terms as well as to explore beneficial business opportunities. These transactions allow the Group to be more competitive in the beer and stout industry through synergies derived from the concentration by each party on its respective strengths, specialities and competencies.

## **4. EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE**

The Proposed Shareholders' Mandate will not have any impact on the share capital and Major Shareholders' shareholdings of the Company and will not have any significant impact on the net assets and earnings of the Group.

## 5. APPROVAL REQUIRED

The Proposed Shareholders' Mandate is subject to the approval of the Company's shareholders to be obtained at the forthcoming 50<sup>th</sup> AGM to be convened.

## 6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

### Interested Directors

Hans Essaadi, Michiel Egeler, Kenneth Choo Tay Sian, Apurvi Haridas Sheth @ Apurvi Sheth Mirpuri and Alvaro Andres Cardenas Munoz are deemed interested in the Proposed Shareholders' Mandate as they are the Board representatives of GAPL, a Major Shareholder of the Company as of 10 October 2014. None of these Directors hold any share directly in the Company as of 10 October 2014. They have abstained and will continue to abstain from all deliberations on the Proposed Shareholders' Mandate at all Board meetings. They will also abstain from voting in respect of their direct and indirect shareholdings in relation to the Proposed Shareholders' Mandate at the forthcoming 50<sup>th</sup> AGM in the event they are also shareholders of the Company subsequent to 10 October 2014.

### Interested Major Shareholders

The direct and indirect shareholdings of the interested Major Shareholder and its persons connected in the Company as at 10 October 2014 are as follows:

Major Shareholders	No of stock units of RM0.50 each held			
	Direct	%	Indirect	%
GAPL	154,069,900	51	–	–
GOL	–	–	154,069,900 <sup>(1)</sup>	51
Diageo	–	–	154,069,900 <sup>(2)</sup>	51
HAPPL	–	–	154,069,900 <sup>(1)</sup>	51
API	–	–	154,069,900 <sup>(3)</sup>	51
Heineken International	–	–	154,069,900 <sup>(4)</sup>	51
Heineken	–	–	154,069,900 <sup>(5)</sup>	51

Notes:

<sup>(1)</sup> Deemed interested through in GAPL

<sup>(2)</sup> Deemed interested through GOL

<sup>(3)</sup> Deemed interested through HAPPL

<sup>(4)</sup> Deemed interested through API

<sup>(5)</sup> Deemed interested through Heineken International

The abovementioned Major Shareholders are deemed interested in the Proposed Shareholders' Mandate by virtue of their shareholdings, direct and indirect, in the Company. They shall accordingly abstain from voting in respect of their direct and indirect shareholdings on the resolution approving the Proposed Shareholders' Mandate to be tabled as Special Business at the forthcoming 50<sup>th</sup> AGM.

The abovementioned interested Directors and Major Shareholders have undertaken that they shall ensure that Persons Connected to them will abstain from voting on the resolution approving the Proposed Shareholders' Mandate at the forthcoming 50<sup>th</sup> AGM of the Company.

Save as disclosed above, none of the other Directors or Major Shareholders of the Company or Persons Connected to them has any interest, direct or indirect, in the Proposed Shareholders' Mandate.

## **7. DIRECTORS' RECOMMENDATION**

The Directors (save for Hans Essaadi, Michiel Egeler, Kenneth Choo Tay Sian, Apurvi Haridas Sheth @ Apurvi Sheth Mirpuri and Alvaro Andres Cardenas Munoz who have abstained from making a recommendation and giving an opinion on the Proposed Shareholders' Mandate as they are deemed interested in the Proposed Shareholders' Mandate), after due consideration of all aspects, are of the opinion that the Proposed Shareholders' Mandate is in the best interest of the Company. Accordingly, your Directors (save for Hans Essaadi, Michiel Egeler, Kenneth Choo Tay Sian, Apurvi Haridas Sheth @ Apurvi Sheth Mirpuri and Alvaro Andres Cardenas Munoz) recommend that shareholders vote in favour of the ordinary resolution in respect of the Proposed Shareholders' Mandate to be tabled at the forthcoming 50<sup>th</sup> AGM of the Company.

## **8. AGM**

The resolution pertaining to the Proposed Shareholders' Mandate is set out in the Notice of 50<sup>th</sup> AGM enclosed in the abridged version of the Annual Report 2014, which is despatched to you together with this Circular. The 50<sup>th</sup> AGM will be held at Grand Ballroom, Connexion @ Nexus, No. 7 Jalan Kerinchi, Bangsar South City, 59200 Kuala Lumpur, Malaysia on Friday, 28 November 2014 at 10.00 a.m or any adjournment thereof.

If you are unable to attend and vote in person at the AGM, you are requested to complete, sign and return the original Form of Proxy enclosed in the abridged version of the Company's Annual Report 2014, in accordance with the instructions contained thereon as soon as possible and in any event to reach the Share Registrar's office at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not later than 48 hours before the time fixed for holding the AGM or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the 50<sup>th</sup> AGM if you so subsequently decide to do so.

## **9. GENERAL INFORMATION**

### **9.1 Directors' Responsibility Statement**

This Circular has been seen and approved by the Directors of the Company who individually and collectively accept full responsibility for the accuracy of the information as contained in this Circular and confirm that after having made all reasonable enquiries, and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

### **9.2 Material Contracts**

There are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company and/or its subsidiaries during the two years immediately preceding the date of this Circular.

### **9.3 Material Litigation**

As of the date of this Circular, neither the Company nor any of its subsidiary companies is engaged in any material litigation, claims or arbitration either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings, pending or threatened, against the Company or any of its subsidiary companies or of any facts likely to give rise to any proceedings which might materially affect the position or business of the Company or its subsidiary companies.

#### **9.4 Documents for Inspection**

The following documents are available for inspection at the office of the Company at Sungei Way Brewery, Lot 1135, Batu 9, Jalan Klang Lama, 46000 Petaling Jaya, Selangor Darul Ehsan during office hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the forthcoming 50<sup>th</sup> AGM:

- Memorandum and Articles of Association of the Company
- Audited consolidated financial statements of the Group for the two financial years ended 30 June 2013 and 2014.

Yours faithfully  
For and on behalf of the Board of Directors  
**GUINNESS ANCHOR BERHAD**

**DATO' SAW CHOO BOON**  
Chairman / Independent Director