



## General Announcement

Reference No **EM-091119-58770**

Date Announced : 19/11/2009

Type : Announcement

Subject : DISCLOSURE BY WAY OF ANNOUNCEMENT PURSUANT TO RULE 8.23 (READ TOGETHER WITH PRACTICE NOTE 11) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

Contents : Esso Malaysia Berhad (“EMB”) wishes to announce that it has implemented a marketing programme called the Marketing Assistance Programme (“MAP”) for its service station dealers who own and operate ESSO fuel service stations (“Dealer Owned Service Stations” – or “DOSS”). Each DOSS dealer enters into a long term Retail Trading Agreement (“RTA”) with EMB to operate a service station under Esso brand. The MAP is intended to assist dealers with the construction cost of service stations and acquisition of equipment necessary to operate an Esso branded service station.

### KEY FEATURES OF THE MAP:

- The amount of MAP provided to a dealer would be a portion of the construction / equipment acquisition costs that would be incurred by the dealer.
- The MAP amount is disbursed to the dealers progressively according to the construction / installation progress as stipulated in the MAP Agreement between EMB and the dealer.
- In consideration of the MAP, dealers provide adequate security to EMB to secure and ensure performance under the RTA and the MAP as well as return on value of the site . Disbursements of any funds pursuant to the MAP are generally undertaken after security(s) in EMB's favour have been completed.
- The MAP sum provided to the dealer is amortised over the RTA period.
- In the event of a dealer breaching the RTA or the dealership being terminated by EMB for cause, EMB is entitled to enforce its



securities against the dealer.

The aggregate amount of assistance provided under the MAP during the financial quarter ending September 30, 2009 was RM27million. Further there is no detrimental financial impact to EMB in entering into the MAP.

The Board of Directors of EMB is of the view that the implementation of the MAP is in the ordinary course of business of EMB. The Board, also having considered the high level of dealer commitment and good track record of the dealers, the internal rate of return on the MAP as well as the risk mitigation factors put in place by EMB to secure the MAP payback and/or the invoking of its other security(s), is of the view that implementation of the MAP is fair and reasonable and is in the best interest of EMB. The Board is also of the view that the implementation of the MAP is not detrimental to EMB or its shareholders.

No major shareholder, director or persons connected with a director or major shareholder of EMB has any direct or indirect interest in any MAP transaction.

This announcement is dated November 19, 2009.