

**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 advisers immediately.

Bursa Malaysia Securities Berhad (Company No. 635998-W) ("Bursa Securities") has not perused this Circular to Shareholders ("Circular") prior to its issuance as it is an exempt document pursuant to Paragraph 2.1 of Practice Note 18 of the Main Market Listing Requirements of Bursa Securities.

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**SCOMI GROUP BHD.  
COMPANY NO. 200201003549 (571212-A)  
(INCORPORATED IN MALAYSIA)**

**CIRCULAR TO SHAREHOLDERS  
IN RELATION TO:**

**PROPOSED ADOPTION OF THE CONSTITUTION OF THE COMPANY**

Notice of the Seventeenth (17th) Annual General Meeting ("AGM") of **SCOMI GROUP BHD.** to be held at Persatuan Alumni Universiti Malaya, Lot 10476, Jalan Susur Damansara (Jalan Damansara Lama), Off Jalan Gegambir, 50480 Kuala Lumpur on Thursday, 28 November 2019 at 10.00 a.m. together with a Form of Proxy are enclosed in the Annual Report of the Company for the financial period ended 30 June 2019.

Please complete and return your Form of Proxy in accordance with the instructions thereon as soon as possible to the Registrars' Office at Boardroom Share Registrars Sdn. Bhd. (formerly known as Symphony Share Registrars Sdn. Bhd.), 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time set for holding the AGM, or in case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, or any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : 26 November 2019 at 10.00 a.m.  
Date and time of the AGM : 28 November 2019 at 10.00 a.m.

This Circular is dated 31 October 2019

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## DEFINITIONS

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In this Circular, unless otherwise stated, the following abbreviations shall have the following meanings:

“Act”	:	Companies Act 2016 and any amendments made thereto from time to time
“AGM”	:	Annual General Meeting
“Annual Report 2019”	:	Annual Report of the Company for the financial period ended 30 June 2019
“Board”	:	Board of Directors of SCOMI
“Bursa Securities”	:	Bursa Malaysia Securities Berhad
“CCM”	:	Companies Commission of Malaysia
“Circular”	:	This Circular to the Shareholders of SCOMI dated 31 October 2019
“Constitution”	:	Constitution of SCOMI, as amended from time to time
“Director”	:	Shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and 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 other company which is its subsidiary or holding company or a chief executive officer of the company, its subsidiary or holding company
“SCOMI” or “Company”	:	Scomi Group Bhd. (Company No. 200201003549 (571212-A))
“Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities, as amended from time to time and any re-enactment thereof
“Proposed New Constitution”	:	Proposed adoption of the Constitution of SCOMI

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise specified.

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**TABLE OF CONTENTS**

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## LETTER TO THE SHAREHOLDERS IN RELATION TO THE PROPOSED NEW CONSTITUTION

	<b>Particulars</b>	<b>Page</b>
1.	Introduction	1
2.	Details and rationale for the Proposed New Constitution	1
3.	Effect of the Proposed New Constitution	2
4.	Interest of Directors, Major Shareholders and/or person connected with them	2
5.	Directors' statement and recommendation	2
6.	Approval required	2
7.	AGM	2
8.	Further information	3
	Appendix I – Further Information	4
	Appendix II – Proposed New Constitution	5 – 45



SCOMI GROUP BHD.  
Company No. 200201003549 (571212-A)  
(Incorporated in Malaysia)

Registered Office:  
Level 15, Menara TSR  
No. 12, Jalan PJU 7/3  
Mutiara Damansara  
47810 Petaling Jaya  
Selangor Darul Ehsan

31 October 2019

Board of Directors:

Dato' Sreesanthan A/L Eliathamby	<i>(Independent Non-Executive Director)</i>
Liew Willip	<i>(Independent Non-Executive Director)</i>
Dato' Mohd Shahrom Bin Mohamad	<i>(Independent Non-Executive Director)</i>
Amirul Azhar Bin Baharom	<i>(Independent Non-Executive Director)</i>
Foong Choong Hong	<i>(Non-Independent Non-Executive Director)</i>
Lee Chun Fai	<i>(Non-Independent Non-Executive Director)</i>
Shah Hakim @ Shahzanim Bin Zain	<i>(Non-Independent Non-Executive Director)</i>
Sammy Tse Kwok Fai	<i>(Executive Director/ Chief Executive Officer)</i>

**To: The shareholders of Scomi Group Bhd**

**Dear Sir/ Madam,**

## **PROPOSED NEW CONSTITUTION**

### **1. INTRODUCTION**

On 25 October 2019, the Board announced that the Company proposed to seek the shareholders' approval for the adoption of the Proposed New Constitution.

The purpose of this Circular is to provide you with the relevant information on the Proposed New Constitution and to seek your approval for the special resolution to be tabled at the forthcoming AGM of the Company to be held at Persatuan Alumni Universiti Malaya, Lot 10476, Jalan Susur Damansara (Jalan Damansara Lama), Off Jalan Gegambir, 50480 Kuala Lumpur on Thursday, 28 November 2019 at 10.00 a.m. The Notice of AGM together with the Form of Proxy are enclosed in the Annual Report 2019.

### **2. DETAILS AND RATIONALE FOR THE PROPOSED NEW CONSTITUTION**

The Board proposes to adopt a new Constitution taking into account the changes to the Act which came into force on 31 January 2017 and in line with the Listing Requirements. The details of the Proposed New Constitution are set out in Appendix II of this Circular.

The Proposed New Constitution is primarily for the purpose of streamlining the Constitution to be in line with the Act, the Listing Requirements, the prevailing statutory and regulatory requirements as well as to update the existing Memorandum and Articles of Association of the Company, where relevant, to render consistency throughout in order to facilitate and further enhance administrative efficiency.

**3. EFFECTS OF THE PROPOSED NEW CONSTITUTION**

The Proposed New Constitution will not have any effect on the share capital of the Company and shall not have any material effect on the substantial shareholdings, net assets, gearing and earnings per share of the Group.

**4. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM**

None of the Directors, Major Shareholders and/or persons connected with them has any interest, direct or indirect, in the Proposed New Constitution.

**5. DIRECTORS' STATEMENT AND RECOMMENDATION**

The Board, after having considered all aspects of the Proposed New Constitution, is of the opinion that the Proposed New Constitution is in the best interest of the Company, and accordingly recommends that you vote in favour of the special resolution pertaining to the Proposed New Constitution to be tabled at the forthcoming AGM.

**6. APPROVAL REQUIRED**

The Proposed New Constitution is subject to the approval being obtained from the shareholders of the Company at the forthcoming AGM.

**7. AGM**

The AGM, the notice of which is enclosed in the Annual Report 2019 will be held at Persatuan Alumni Universiti Malaya, Lot 10476, Jalan Susur Damansara (Jalan Damansara Lama), Off Jalan Gegambir, 50480 Kuala Lumpur on Thursday, 28 November 2019 at 10.00 a.m. for the purpose of considering and, if thought fit, passing, inter alia, the special resolution set out in the Notice of AGM, to give effect to the Proposed New Constitution.

If you are unable to attend or vote in person at the AGM, you may appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, you must complete, sign and deposit the Proxy Form in accordance with the instructions therein at the Registrars' Office at Boardroom Share Registrars Sdn. Bhd. (formerly known as Symphony Share Registrars Sdn. Bhd.), 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the date and time set for holding the AGM or any adjournment thereof. The lodging of the Form of Proxy shall not, however, preclude you from attending, speaking and voting in person at the AGM should you subsequently wish to do.

**8. FURTHER INFORMATION**

Shareholders are requested to refer to the enclosed Appendix I and II for further information.

Yours faithfully,  
For and on behalf of the Board of Directors of  
**SCOMI GROUP BHD**

**Sammy Tse Kwok Fai**  
**Executive Director and Chief Executive Officer**

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## **FURTHER INFORMATION**

### **1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by our Board. They collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after making 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 in this Circular misleading.

### **2. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection during normal office hours (except for public holidays) from the date of this Circular up to and including the date of the forthcoming AGM, at our Registered Office at Level 15, Menara TSR, No. 12, Jalan PJU 7/3, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan, Malaysia:

- i. Memorandum and Articles of Association of SCOMI; and
- ii. The latest audited consolidated financial statements of SCOMI for the financial year ended 31 March 2018 and financial period ended 30 June 2019.

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**THE COMPANIES ACT 2016**

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**PUBLIC COMPANY LIMITED BY SHARES**

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**MALAYSIA**

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**CONSTITUTION**

**OF**

**SCOMI GROUP BHD.**  
**Company No. 200201003549 (571212-A)**

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Incorporated on 9th day of February, 2002

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THE COMPANIES ACT 2016

MALAYSIA

A PUBLIC COMPANY LIMITED BY SHARES

**CONSTITUTION**

**OF**

**SCOMI GROUP BHD.**

1. The name of the Company is SCOMI GROUP BHD.
2. The registered office of the Company will be situated in Malaysia.
3. The objects for which the Company is established are:
  - (1) To hold shares or invest in, and to acquire, lease, promote or sell, and to manage, conduct or undertake the business of management or otherwise howsoever direct the operations of any other business, company, corporation, firm of any other whatsoever enterprise, undertaking or venture, and generally to undertake any of the business of a holding, or management company.
  - (2) To purchase or otherwise acquire for investment lands, houses, buildings, plantations and other property of any tenure and any interest therein and any moveable property of any description or any interest therein and to create and sell freehold and leasehold ground rents and to make advances upon the security of land or house, or other property or any interest therein and generally to sell, lease or exchange land and house, property and any other property whether real or personal and whether for valuable consideration or not.
  - (3) To carry on the business of and to act as agents, investors, merchants, traders, franchisors, carriers and shipowners or in any other capacity whatsoever in Malaysia or elsewhere and to import, export, buy, sell, barter, exchange, pledge, made advances upon or otherwise deal in goods, produce, articles and merchandise of all kinds.

And it is hereby declared that the word "company" in this clause except where used in reference to this Company shall be deemed to include any partnership or other body of persons whether incorporated or unincorporated, and whether domiciled in Malaysia or elsewhere, and further that the objects specified in each paragraph of this clauses shall be regarded as independent objects and accordingly shall, except where otherwise expressed in any paragraph, be in nowise limited or restricted by reference to, or inference from the terms of any other paragraph or the name of the Company but may be carried out in as full and ample a manner and construed just as wide a sense as if the said paragraph defined the objects of a separate distinct and independent company.

4. Section 21 of the Companies Act 2016 shall apply to the Company and the Company shall be capable of exercising all the functions of a body corporate and have full capacity to carry on or undertake any function or activity that the Board considers to be advantageous to the Company, including but not limited to, the objects as mentioned above.
5. The liability of the Members of the Company is limited.

6. The provisions set out in the Companies Act 2016 which may be modified or substituted by the provisions of these clauses shall not apply to the Company, except in so far as the same are repeated or contained in this Constitution.

### INTERPRETATION

7. In this Constitution, if not inconsistent with the subject or context, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof:-

<b>WORDS</b>	<b>MEANINGS</b>
The Act	The Companies Act 2016 and any statutory modification, amendment or re-enactment thereof and every other legislation for the time being in force made thereunder and any written law for the time being in force concerning companies and affecting the Company.
Beneficial Owner	The ultimate owner of the Deposited Securities who is the person who is entitled to all rights, benefits, powers and privileges and is subject to all liabilities, duties and obligations in respect of, or arising from, the Deposited Securities and does not include a nominee of any description.
Board	The Board of Directors for the time being of the Company.
Bursa Depository	Bursa Malaysia Depository Sdn. Bhd. (Company No. 165570-W) including any further change of name.
Central Depositories Act	Securities Industry (Central Depositories) Act 1991, and every statutory amendment, modification, or re-enactment thereof for the time being in force.
Clause	The clauses of this Constitution as originally framed or altered from time to time by Special Resolution.
CMSA	Capital Markets and Services Act 2007, and any statutory modification, amendment or re-enactment thereof for the time being in force.
Constitution	This Constitution as originally framed or as altered from time to time by Special Resolution.
Company	Scomi Group Bhd. (Company No. 571212-A).
Deposited Security	A security in the Company standing to the credit of a Securities Account and includes securities in the Securities Account that is in suspense subject to the provisions of the Central Depositories Act and the Rules.
Depositor	A holder of a Securities Account as defined in Section 2 of the Central Depositories Act.
Directors	The directors for the time being of the Company as defined in Section 2(1) of the CMSA.
Documents	Any document required to be sent under the Listing Requirements to the securities holder.
Electronic Address	Any address or number used for the purpose of sending or receiving Documents or information by electronic means.

Electronic Communication	A document or information is sent or supplied by electronic communication if it is sent initially and received at its destination by means of electronic equipment for the processing (which expression includes digital compression) or storage of data, and entirely transmitted, conveyed and received by wire, by radio, by optical means or by other electromagnetic means.
Electronic Form	Document or information sent or supplied in electronic form are those sent by “electronic communication” or by any other means while in an electronic form whereby a recipient of such Documents or information would be able to retain a copy.
Exchange	Bursa Malaysia Securities Berhad (Company No. 635998-W) and / or any other Exchange on which the Company is listed.
Exempt Authorised Nominee	An Authorised Nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of subsection 25A(1) of the Central Depositories Act.
Listing Requirements	Bursa Malaysia Securities Berhad Main Market Listing Requirements including any amendments thereto that may be made from time to time.
Market Day	A day on which the stock market of the Exchange is open for trading in securities.
Member	Unless otherwise expressed to the contrary, any person(s) for the time being holding one or more shares in the Company and whose name(s) appears in the Register of Members and includes a Depositor who shall be treated as if he were a member pursuant to Section 35 of the Central Depositories Act but excludes the Bursa Depository in its capacity as a bare trustee member.
Office	The registered office for the time being of the Company.
Record of Depositors	A record provided by the Bursa Depository to the Company or its registrar(s) under Chapter 24.0 of the Rules.
Register	The register of members to be kept pursuant to the Act, and unless otherwise expressed to the contrary, includes the Record of Depositors.
Registrar	Such person, firm or company which for the time being maintains in Malaysia, the register of securities holders.
Rules	The Rules of the Bursa Depository and any appendices thereto, as amended, modified and supplemented from time to time.
Seal	The Common Seal of the Company or in appropriate case the official seal.
Secretary	Any person or persons appointed to perform the duties of the secretary of the Company and shall include a joint, temporary assistant or deputy secretary.
Securities	As defined in Section 2(1) of the CMSA.
Securities Account	An account established by the Bursa Depository for a Depositor for the recording of deposit or withdrawal of Securities and for dealing in such Securities by the Depositor as permitted under the Central Depositories Act and / or the Rules.

Share Issued share capital of a corporation and includes stock except where a distinction between stock and shares is expressed or implied.

Writing shall include printing and lithography and any other mode or modes of representing or reproducing words, symbols or other information which may be displayed in a visible form, whether in a physical document or in an electronic communication or form or otherwise howsoever.

Words denoting the singular number only shall include the plural number and vice versa and the masculine shall include the feminine and neuter genders and vice versa.

Words importing persons shall include corporations and companies.

Subject as aforesaid, words or expressions contained in these Clauses shall be interpreted in accordance with the provisions of the Interpretation Acts, 1948 and 1967 of Malaysia, as amended from time to time and any re-enactment thereof.

### **EFFECT OF THE LISTING REQUIREMENTS**

- 8.
- (a) Notwithstanding anything contained in this Constitution, if the Listing Requirements prohibit an act being done, the act shall not be done.
  - (b) Nothing contained in this Constitution prevents an act being done that the Listing Requirements require to be done.
  - (c) If the Listing Requirements require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be).
  - (d) If the Listing Requirements require this Constitution to contain a provision and it does not contain such a provision, this Constitution is deemed to contain that provision.
  - (e) If the Listing Requirements require this Constitution not to contain a provision and it contains such a provision, this Constitution is deemed not to contain that provision.
  - (f) If any provision of this Constitution is or becomes inconsistent with the Listing Requirements, this Constitution is deemed not to contain that provision to the extent of the inconsistency.
  - (g) Notwithstanding anything contained in this Constitution, nothing herein contained shall prevent the Directors from applying to the Exchange for a waiver from compliance or observance of any of the Listing Requirements. In the event the compliance or observance of such Listing Requirements are waived by the Exchange, the Company shall not be required to comply with any of the Clauses relating to those Listing Requirements in respect of which compliance or observance has been waived by the Exchange.
  - (h) The provisions of this Clause 8 shall only apply so long as any of the securities of the Company are listed on the Exchange.

### **SHARE CAPITAL AND VARIATION OF RIGHTS**

9. Subject to the Act and this Constitution, shares in the Company may be issued by the Directors and any such shares may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Directors, subject to any ordinary resolution of the Company, may determine.

10. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares and subject to the provisions of this Constitution, the Act and the provisions of any resolution of the Company, shares in the Company may be issued by the Directors, who may allot, or otherwise dispose of such shares to such persons, on such terms and conditions, with such preferred, deferred or other special rights, and subject to such restrictions and at such times as the Directors may determine but the Directors in making any issue of shares shall comply with the following conditions:-
- (a) in the case of shares of a class, other than ordinary shares, no special rights shall be attached until the same have been expressed in this Constitution and in the resolution creating the same;
  - (b) every issue of shares or options to employees and/or Directors shall be approved by members in general meeting and in respect of issuance of shares or options to Directors such approval shall specifically detail the amount of shares or options to be issued to such Directors;
  - (c) except in the case of an issue of securities on a pro rata basis to shareholders or pursuant to a back-to-back placement undertaken in compliance with the Listing Requirements, a Director, major shareholders, Chief Executive or person connected to any Director, major shareholder or Chief Executive of the Company shall not participate, directly or indirectly, in an issue of ordinary shares or other securities with rights of conversion to ordinary shares unless the shareholders of the Company in general meeting have approved the specific allotment to be made to the Director, major shareholders, Chief Executive or person connected to any Director, major shareholder or Chief Executive and the Director, major shareholders, Chief Executive or person connected to any Director, major shareholder or Chief Executive has abstained from voting on the relevant resolution;
- In this Clause, "Major Shareholder", "Chief Executive" and "Person connected to any Director, major shareholder or Chief Executive" shall have the same meaning described thereto in the Listing Requirements.
- (d) without limiting the generality of Sections 75 and 76 of the Act, the Company must not issue any ordinary shares or other securities with rights of conversion to ordinary shares if those shares or securities, when aggregated with any such shares or securities which the Company has issued during the preceding twelve (12) months, exceeds ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company, except where the shares or securities are issued with the prior shareholders' approval in a general meeting of the precise terms and conditions of the issue; and
  - (e) in working out the number of shares or securities that may be issued by the Company, if the security is a convertible security, each such security is counted as the maximum number of shares into which it can be converted or exercised.
11. Subject to the Act, any preference shares may with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed. The Company shall not issue preference shares ranking in priority above preference shares already issued, but may issue further preference shares ranking equally therewith. Preference shareholders shall have the same rights as ordinary shareholders as regards to receiving notices, reports and audited financial statements and attending meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the share capital or winding up or during the winding up of the Company, or on a proposal for the disposal of the whole of the Company's property, business and undertaking, or where any resolution to be submitted to the meeting directly affects their rights and / or privileges attached to the shares, or when the dividend or part of the dividend on the preference shares is in arrears for more than six (6) months.

12. Notwithstanding Clause 11, the repayment of preference share capital other than redeemable preference capital or any other alteration of preference shareholder's rights, may only be made pursuant to a special resolution of the preference shareholders concerned PROVIDED ALWAYS that where the necessary majority for such a special resolution is not obtained at the meeting, consent in writing, if obtained from not less than 75% of the total voting rights of the preference shareholders within two (2) months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.
13. Subject to the provisions of Sections 71 and 91 of the Act, if at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the sanction of a special resolution passed at a separate meeting of the shareholders of that class. Where necessary majority of such a special resolution is not obtained at the meeting, consent in writing if obtained from the holders of not less than 75% of the total voting rights of the shareholders of that class within two (2) months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting. To every such separate general meeting, the provisions of this Constitution relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two (2) persons who are shareholders present in person or represented by proxy or as attorney holding at least one-third (1/3) of the number of issued shares of the class, excluding any shares of that class held as treasury shares and that any holder of shares of the class present in person or by proxy may demand a poll. For adjourned meeting, quorum is one person present holding shares of such class. To every such special resolution, the provisions of Section 292 of the Act shall with such adaptations as are necessary, apply.
14. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or in all respects *pari passu* therewith.
15. The Company may pay a commission to any person for the purpose of subscribing or agreeing to subscribe or procuring or agreeing to procure any shares of the Company, whether absolute or conditional, PROVIDED THAT (i) the rate in percentage or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act, that such commission shall not exceed the rate of ten per cent (10%) of the price at which such shares are issued, or an amount equivalent to such percentage of that price, whichever is the lesser, and (ii) the requirements of Section 80 of the Act shall be observed. Subject to the provisions of Section 78 of the Act, such commission may be satisfied by the payment of cash or allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.
16. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provision of any plant which cannot be made profitable for a long period, the Company may pay interest on so much share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in Section 130 of the Act and may charge the same to capital as part of the cost of the plant construction of any works or buildings or the provision of any plant.
17. Except as required by this Constitution or by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even with notice thereof) any equitable, contingent, future or partial interest in any share or any unit of share or any other right in respect of any shares, except an absolute right to the entirety thereof in the registered holder.

## ISSUE OF SECURITIES

18. The Company must ensure that all new issues of securities for which listing is sought are made by way of crediting the Securities Accounts of the allottees with such Securities save and except where they are specifically exempted from compliance with Section 38 of the Central Depositories Act, in which event they shall so similarly be exempted from compliance with this provision. For this purpose, the Company must notify the Bursa Depository of the names of the allottees and all such particulars required by the Bursa Depository, to enable the Bursa Depository to make the appropriate entries in the Securities Accounts of such allottees. The Company must not cause or authorise its Registrar to cause the Securities Accounts of the allottees to be credited with the additional securities until after the Company has filed with the Exchange an application for listing of such additional securities and has been notified by the Exchange that they have been authorised for listing.
19. Subject to the provisions of the Act, the Central Depositories Act and the Rules, the Company shall allot and / or issue securities, despatch notices of allotment to the allottees and make an application for the quotation of such securities within the period as may be prescribed by the Exchange and deliver to the Bursa Depository the appropriate certificates in such denominations as may be specified by the Bursa Depository and registered in the name of the Bursa Depository or its nominee company.
20. The certificate of title to share, stock, debentures, debenture stock, notes and other securities of the Company shall be issued under the Seal and bear the signatures or the autographic signatures of one Director and the Secretary or a second Director or such other person as may be authorised by the Board, and shall specify the shares to which it relates, and the amount paid up thereon provided that the Board may by resolution determine that such signatures, or either of them, shall be dispensed with or shall be affixed by such other person as may be authorised by the Board or some method or system of mechanical signature.

## LIEN

21. The Company shall have a first and paramount lien on every share (not being a fully paid share) and dividend from time to time declared in respect of such share for all unpaid calls and instalments upon the specific shares in respect of which such monies are due and unpaid, and to such amounts as the Company may be called upon by law to pay and has paid in respect of the shares of the member or deceased member. The Company shall be entitled to charge interest thereon, not exceeding eight percent (8%) per annum or such other rate as the Directors may determine. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Clause.
22. Subject to the Central Depositories Act and the Rules, the Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen (14) days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy.
23. To give effect to any such sale, the Directors may authorise its Registrar to cause Bursa Depository to credit the Securities Account of the purchaser of the shares sold or otherwise in accordance with the directions of the purchaser. The purchaser shall be registered as the holder of the shares comprised in any such transfer and the Directors shall not be bound to see to the application of the purchase money nor shall the purchaser's title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale and the remedy of the holder of such shares or of any person claiming under or through him in respect of any alleged irregularity or invalidity, shall be against the Company.

24. The proceeds of the sale after payment of the amount of interest and costs relating to the sale, shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall be paid to the person entitled to the shares at the date of the sale or his executors, administrators or assignees or as he directs.

### CALL ON SHARES

25. The Directors may, subject to the Act and the provisions of the Listing Requirements, from time to time make calls upon the members in respect of any money unpaid on their shares and not by the conditions of allotment thereof made payable at fixed times, provided that no calls shall exceed one-fourth (1/4) of the issued price of the share or be payable at less than thirty (30) days from the date fixed for the payment of the last preceding call, and each member shall (subject to receiving at least fourteen (14) days' notice specifying the date, time or times and place of payment) pay to the Company at the time or times and place so specified, the amount called on his shares. A call may be revoked or postponed as the Directors may determine.
26. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be required to be paid by instalments. No shareholder shall be entitled to receive any dividend or to exercise any privilege as a Member, until he shall have paid all calls for the time being due and payable on every share held by him, together with interest and expenses (if any).
27. If a sum called in respect of shares is not paid before or on the day appointed for payment thereof, the person from whom the sum is due, shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate not exceeding eight per cent (8%) per annum or such other rate as the Directors may determine, but the Directors shall be at liberty to waive payment of the interest, wholly or in part.
28. Any sum which by the terms of issue of a share is payable on allotment or at any fixed date, shall, for the purposes of this Constitution be deemed to have been duly called for and shall be payable on the date on which by the terms of issue such sum becomes payable, and in case of non-payment, all the relevant provisions of this Constitution in respect of payment of interest and expenses, forfeiture or otherwise, shall apply as if the sum had become payable by virtue of a call duly made and notified.
29. The Directors may, from time to time,
- (a) make arrangements on the issue of shares for varying the amounts and times of payment of calls as between members;
  - (b) accept from any member the whole or a part of the amount remaining unpaid on any shares although no part of that amount has been called up; and
  - (c) pay dividends in proportion to the amount paid up on each share where a larger amount is paid up on some shares than on others.
30. The Directors may, if they think fit, receive from any Member willing to advance all or any part of the money uncalled and unpaid upon any shares held by him, and upon all or any part of the money so advanced may (until the same would, but for the advance, become payable) pay interest at such rate not exceeding (unless the Company in general meeting shall otherwise direct) eight per cent (8%) per annum as may be agreed upon between the Directors and the Member paying the sum in advance. Such capital paid on shares in advance of calls shall not, whilst carrying interest, confer a right to participate in profits. Except in liquidation, capital paid in advance of calls shall not, until the same would have become payable, be treated as paid up on the shares in respect of which they have been paid.



### INFORMATION ON SHAREHOLDING

31. (1) Subject to Clause 17, the Company may by notice in writing, require any member of the Company, within such reasonable time as is specified in the notice:-
- (a) to inform the Company whether he holds any voting shares in the Company as beneficial owner or as trustee; and
  - (b) if he holds them as trustee, to indicate so far as he can, the persons for whom he holds them by name and by other particulars sufficient to enable those persons to be identified and the nature of their interest.
- (2) Where the Company is informed pursuant to a notice given to any person under sub-section (1) hereof or under this sub-section, that any other person has an interest in any of the voting shares in the Company, the Company may by notice in writing require that other person within such reasonable time as is specified in the notice:-
- (a) to inform the Company whether he holds that interest as beneficial owner or as trustee; and
  - (b) if he holds it as trustee, to indicate so far as he can, the person for whom he holds it by name and by other particulars sufficient to enable them to be identified and the nature of their interest.
- (3) The Company may by notice in writing require a member of the Company to inform it, within such reasonable time as specified in the notice, whether any of the voting rights carried by any voting shares in the Company held by him, are the subject of any agreement or arrangement under which another person is entitled to control his exercise of those rights and, if so, to give particulars of the agreement and the parties to it.

### TRANSFER OF SECURITIES

32. The instrument of transfer of any securities shall be in writing and in the form approved in the Rules and shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the securities until the name of the transferee is entered in the Record of Depositors in respect thereof. The transfer of any listed securities or class of listed securities of the Company, shall be by way of book entry by the Bursa Depository in accordance with the Rules and, notwithstanding Sections 105, 106 and 110 of the Act, but subject to Section 148(2) of the Act and any exemption that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of such listed securities.
33. Subject to the Rules and Listing Requirements, the transfer of any securities may be suspended at such times and for such periods as the Directors may from time to time determine. Ten (10) clear Market Days' notice, or such other period as may from time to time be specified by the Exchange governing the Register concerned, of intention to close the Register shall be given to the Exchange. At least three (3) Market Days' prior notice shall be given to the Bursa Depository to prepare the appropriate Record of Depositors.
34. The Bursa Depository may refuse to register any transfer of Deposited Security that does not comply with the Central Depositories Act and the Rules. No securities shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.
35. Subject to the provisions of this Constitution, the Directors may recognise a renunciation of any share by the allottee thereof in favour of some other person.

36. Subject to any law in Malaysia for the time being in force, neither the Company nor the Directors nor any of its officers shall incur any liability for the act of the Bursa Depository in registering or acting upon a transfer of securities apparently made by a member or any person entitled to the securities by reason of death, bankruptcy or insanity of a member although the same may, by reason of any fraud or other causes not known to the Company or the Directors or the Bursa Depository or other officers, be legally inoperative or insufficient to pass the property in the securities proposed or professed to be transferred, and although the transfer may, as between the transferor and the transferee, be liable to be set aside and notwithstanding that the Company may have notice that such instrument or transfer was signed or executed and delivered by the transferor in the blank as to the name of the transferee, of the particulars of the securities transferred or otherwise in defective manner. And in every case, the person registered as transferee, his executors, administrators and assignees alone shall be entitled to be recognised as the holder of such securities and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.

#### **DISPOSAL OF SHARES OF MEMBERS WHOSE WHEREABOUTS UNKNOWN**

37. Where by the exercise of reasonable diligence, the Company is unable to discover the whereabouts of a member for a period of not less than ten (10) years, the Company may cause an advertisement to be published in a newspaper circulating in the place shown in the Register or the Record of Depositors as the address of the member stating that the Company, after expiration of thirty (30) days from the date of the advertisement, intends to transfer the shares to the Minister charged with the responsibility for finance.
38. If after the expiration of thirty (30) days from the date of the advertisement the whereabouts of the Member remains unknown, the Company may transfer the shares held by the Member to the Minister charged with the responsibility for finance and for that purpose may execute for and on behalf of such Member, a transfer of those shares to the Minister charged with the responsibility for finance.

#### **TRANSMISSION OF SHARES**

39. In the case of the death of a member, the legal representative(s), the executors or administrators of the deceased shall be the only person(s) recognised by the Company and / or Bursa Depository as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased Member from any liability in respect of any share which had been held by him.
40. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence being produced as may from time to time properly be required by the Rules and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof, but the Directors and / or Bursa Depository shall in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that Member before his death or bankruptcy. PROVIDED ALWAYS that where the share is a Deposited Security, subject to the Rules, a transfer or withdrawal of the shares may be carried out by the person becoming so entitled.
41. If any person so becoming entitled to a share in consequence of the death or bankruptcy of a Member elects to register himself as the holder of the share, he shall deliver or send to the Company, a notice in writing signed by him and stating that he so elects, provided that where the share is a Deposited Security and the person becoming entitled elects to have the share transferred to him, the aforesaid notice must be served by him on the Bursa Depository. If he elects to have another person registered, he shall evidence his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of this Constitution relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the

death or bankruptcy of the Member had not occurred and the notice or transfer is a transfer signed by that Member.

42. Subject to the provisions of any law, where the registered holder of any share dies or becomes bankrupt, his personal representative or the assignee or his estate, as the case may be, shall, upon the production of such evidence as may from time to time required by the Directors and / or the Bursa Depository in that behalf, be entitled to the same dividends and other advantages and to the same rights (whether in relation to the meetings of the Company or to voting or otherwise) as the registered holder would have been entitled to if he had not died or become bankrupt.
43. Where:-
- (a) the securities of a company are listed on another stock exchange; and
  - (b) the Company is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act, 1998, as the case may be, under the Rules in respect of such securities,

the Company shall, upon the request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the registrar of the Company in the jurisdiction of the other stock exchange, to the register of holders maintained by the registrar of the Company in Malaysia and vice versa provided that there shall be no change in ownership of such securities.

#### **FORFEITURE OF SHARES**

44. If any member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him or on the person entitled to the share by transmission, requiring payment of so much of the call or instalment as is unpaid, together with any interest or compensation at the rate of eight per centum (8%) per annum or at such rate as the Directors shall determine and any expenses that may have accrued by reason of such non-payment.
45. The notice shall specify a further day (not earlier than the expiration of fourteen (14) days from the date of the notice) on or before which the payment required by the notice is to be made and the place where payment is to be made and shall state that in the event of non-payment on or before the time and at the place appointed, the shares in respect of which the call was made will be liable to be forfeited.
46. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture of shares shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
47. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit, and at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Directors think fit. Notice of sale or disposal shall be sent to the holder of the shares sold or disposed of within fourteen (14) days of the date of sale or disposal. Notwithstanding any such forfeiture as aforesaid, the Directors may, at any time before the forfeited share has been otherwise disposed of, annul the forfeiture upon the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit.

48. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, remain liable to pay to the Company all monies which, at the date of forfeiture, was payable by him to the Company in respect of the shares (together with interest at the rate of eight per cent (8%) per annum from the date of forfeiture on the money for the time being unpaid if the Directors think fit to enforce payment of such interest), but his liability shall cease if and when the Company receives payment in full of all such money in respect of the shares.
49. The forfeiture of a share shall involve the extinction at the time of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities incidental to the share as between the shareholder whose share is forfeited and the Company, except only such of those rights and liabilities as are by this Constitution expressly saved, or as are by the Act given or imposed in the case of past members.
50. A statutory declaration in writing by a Director or Secretary of the Company that a share in the Company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and such declaration, together with the receipt of the Company for the consideration (if any), given for the share on the sale or disposition thereof, shall constitute a good title to the share, and such person shall be registered as the holder of the share and shall be discharged from all calls made prior to such sale or disposition, and the Company shall not be bound to see the application of the purchase money (if any), nor shall the purchaser's title to the share be affected by any act, omission or irregularity relating to or connected with the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share. This Constitution on forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue a share, becomes payable at a fixed time, as if the same had been payable by virtue of a call duly made and notified.
51. The Company may receive the consideration, if any, given for any forfeited share on any sale or disposition thereof and authorise any person to execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share and shall not have his title to the share be affected by an irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share. Any residue of the proceeds of sale of shares which are forfeited and sold or disposed of, after the satisfaction of the unpaid calls and accrued interest and expenses, shall be paid to the person whose shares have been forfeited or his executors, administrators or assignees or as he directs.
52. The provisions of this Constitution as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, as if the same had been payable by virtue of a call duly made and notified.
53. Where any share has been forfeited in accordance with this Constitution, notice of the forfeiture shall, within fourteen (14) days from the date of forfeiture thereof, be given to the holder of the share or to the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof forthwith be made in the Register or the Record of Depositors, as appropriate, opposite the share.

#### **CONVERSION OF SHARES INTO STOCK**

54. The Company may by ordinary resolution passed at a general meeting convert any paid-up shares into stock or reconvert any stock into paid-up shares of any number.
55. The holders of the stock may transfer the same, or any part thereof in the same manner and subject to the same Clauses as and subject to which, the shares from which the stock arose might prior to conversion have been transferred, or as near thereto as circumstances permit; but the Directors may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum.

56. The holders of stock shall, according to the amount of the stock held by them have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such right, privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by any such part of stock as it would not, if existing in shares, have conferred that right, privilege or advantage.
57. Such Clauses of the Constitution as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" therein shall include "stock" and "stockholder".

#### **INCREASE OF CAPITAL**

58. The Company may from time to time, by ordinary resolution increase its share capital by the creation and issue of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and (subject to any special, limited or conditional voting rights for the time being attached to any existing class of shares) to carry such preferential rights or to be subjected to such conditions or restrictions in regard to dividend, return of capital or otherwise as the Company may, by the resolution authorising such increase, direct.
59. Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new share or security which (by reason of the ratio which the new shares or securities bear to the shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the Directors, be conveniently offered under this Clause.
60. Except so far as otherwise provided by the conditions of issue, any capital raised by the creation of new shares shall be considered as part of the original share capital of the Company, and shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the original share capital.

#### **ALTERATION OF CAPITAL**

61. The Company may by ordinary resolution:-
- (a) increase the share capital by such sum to be divided into shares of such amount as the resolution shall prescribe; or
  - (b) consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the shares from which the subdivided share is derived; or
  - (c) convert all or any of its paid-up shares into stock and may reconvert that stock into paid-up shares; or
  - (d) subdivide its share capital or any part thereof, whatever is in the subdivision, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the shares from which the subdivided share is derived; or

- (e) cancel any shares which at the date of the passing of the resolution which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.
62. Subject to and in accordance with the provisions of the Act and the requirements of the Exchange and such other relevant law, regulation or guideline, the Company is allowed and shall have power, to the fullest extent permitted, to purchase its own shares or give financial assistance to any person for the purpose of acquiring shares in the Company. Any shares in the Company so purchased by the Company shall be dealt with as provided by the Act, the requirements of the Exchange and any other relevant authority.
63. The Company may reduce its share capital by:-
- (a) a special resolution and confirmation by the Court in accordance with Section 116 of the Act; or
  - (b) a special resolution supported by a solvency statement in accordance with Section 117 of the Act.

### **GENERAL MEETINGS**

64. An annual general meeting of the Company shall be held in accordance with the provisions of the Act. All general meetings other than the annual general meeting shall be called extraordinary general meetings. All general meetings shall be held at such time, date and place as the Directors shall determine. Every notice of an annual general meeting shall specify the meeting as such and every meeting convened for passing a special resolution shall state the intention to propose such resolution as a special resolution.
- Such meeting of its members may be held at more than one venue using any technology or method that allows all members of the Company to participate and to exercise the members' rights to speak and vote at the meeting, and using any available technology to provide notice, conduct and record or facilitate voting at that meeting or any adjournment of that meeting of members subject to rules, regulations and laws prevailing. The main venue of the meeting shall be in Malaysia and the Chairman shall be present at the main venue of the meeting.
65. The Directors may, whenever they so decide by resolution, convene an extraordinary general meeting of the Company. In addition, an extraordinary general meeting shall be convened on such requisition as is referred to in Section 311 of the Act, or if the Company makes default in convening a meeting in compliance with a requisition received pursuant to Section 312 of the Act, a meeting may be convened by the requisitionists themselves in the manner provided in Section 313 of the Act.
66. (1) The notices convening meetings shall specify the place, day and hour of the meeting, and shall be given to all members at least fourteen (14) days before the meeting or at least twenty-one (21) days before the meeting where any special resolution is to be proposed or where it is an annual general meeting. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business. At least fourteen (14) days' notice or twenty-one (21) days' notice in the case where any special resolution is proposed or where it is the annual general meeting, of every such meeting must be given by advertisement in at least one (1) nationally circulated Bahasa Malaysia or English daily newspaper and in writing to each stock exchange upon which the Company is listed.
- (2) Subject to the Act, Listing Requirements, laws, rules or regulations, notice of a meeting of members shall be in writing or Documents which is required or permitted to be given, sent or served under the Act or under this Constitution shall be given to the members either:-

- (a) in hard copy,
- (b) in electronic form, or
- (c) partly in hard copy and partly in electronic form.

(3) A notice or Documents:-

- (a) given in hard copy shall be sent to any member/ securities holder either personally or by post to the address supplied by the member/ securities holder to the Company for such purpose; or
- (b) given in electronic form shall be transmitted to the electronic address provided by the member/ securities holder to the Company for such purpose or by publishing on a website.

(4) A notice of a meeting of members or Documents shall not be validly given by the Company by means of a website unless a notification to that effect is given in accordance with Section 320 of the Act.

(5) The Company shall notify a member/ securities holder of the publication of the notice or Documents on the website and such notifications shall be in writing and shall be given in hard copy or electronic form stating:-

- (a) that it concerns a meeting of members;
- (b) the place, date and time of the meeting;
- (c) the general nature of the business of the meeting; and
- (d) whether the meeting is an annual general meeting.

If the Company sends the notice or Documents or notifications through electronic mail, there must be proof of electronic mail delivery. In the event of delivery failure, the Company shall send for a hard copy of the notice or Documents to him.

Notice of meeting of members may include text of any proposed resolutions and other information as the Directors deem fit.

(6) The notice or Documents shall be made available on the website throughout the period beginning from the date of the notification referred to in Clause 66(5) until the conclusion of the meeting.

(7) The contact details of the members/securities holders as provided to the Depository shall be deemed as the last known address provided by the members to the Company for purposes of communication with the members.

(8) Where any member/securities holder requests for a hard copy of the Documents, the Company shall forward a hard copy of these Documents to the member/ securities holder as soon as reasonably practicable after the receipt of the request, free of charge.

(9) Where it relates to Documents required to be completed by members/securities holders for a rights issue or offer for sale, the Company must send these Documents through electronic mail, in hard copy or in any other manner as the Exchange may prescribe from time to time.

67. The Company shall request the Bursa Depository, in accordance with the Rules, to issue a Record of Depositors to whom notices of general meetings shall be given by the Company.

68. The Company shall also request the Bursa Depository in accordance with the Rules, to issue a Record of Depositors, as at the latest date which is reasonably practicable which shall in any event be not less than three (3) Market Days before the general meeting (hereinafter referred to as the "General Meeting Record of Depositors").

69. Subject to the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 (where applicable), a Depositor shall not be regarded as a Member entitled to attend any general meeting and to speak and vote thereat unless his name appears in the General Meeting Record of Depositors.
70. Subject always to the provisions of the Act, no business shall be transacted at any extraordinary general meeting except business of which notice has been given in the notice convening the meeting and no business shall be transacted at an annual general meeting other than business of which notice has been given aforesaid, with the exception of the laying of the audited financial statements and the report of the Directors and auditors, the fixing of the Directors' fees and benefits payable, the election of Directors in the place of those retiring by rotation or otherwise, and the appointment and fixing of the remuneration of the auditors.
71. In every notice calling a meeting of the Company there shall appear with reasonable prominence, a statement that a member entitled to attend and vote is entitled to appoint up to two (2) proxies to attend and vote in his stead.
72. The accidental omission to give notice of meeting to, or the non-receipt of notice of a meeting, by any person entitled to receive such notice shall not invalidate any resolution passed or the proceedings at any such meeting.
73. Members representing at least two and a half per centum (2.5%) of all the fully paid issued shares in the Company (excluding any fully paid treasury shares) carrying the right to vote or at least fifty (50) members who have a relevant right to vote and hold shares in the Company on which there has been paid up by each of such members an average sum of not less than Ringgit Malaysia five hundred (RM500.00) may require the Company to circulate to members who are entitled to receive notice of a meeting of members a statement of not more than one thousand (1,000) words with respect to a matter referred to in a proposed resolution to be dealt with at that meeting or to give notice of a resolution properly moved and is intended to be moved at that meeting. The Company shall not be bound to circulate such statement or give notice of such resolution unless the members have served at the Office a copy of the requisition in accordance with the provisions of Section 323 of the Act or by virtue of 325 of the Act.

#### **PROCEEDINGS AT GENERAL MEETING**

74. No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Save as otherwise provided, two (2) members present in person shall be a quorum. For the purposes of constituting a quorum:-
  - (i) one or more representatives appointed by a corporation shall be counted as one member; or
  - (ii) one or more proxies appointed by a person shall be counted as one member.
75. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members shall be dissolved. In any other case it shall stand adjourned to the same day in the next week (or if that day be a public holiday then to the next business day following that public holiday) at the same time and place or to such other day and at such other time and place as the Directors may determine, but if a quorum is not present within half an hour at any adjourned meeting, the Member present shall be a quorum. For the purpose of this Clause, "business day" means a day (not being a Saturday, Sunday or public holiday) on which licensed financial institutions are open for general banking business in Kuala Lumpur.
76. The Chairman of the Board (if any) shall preside as Chairman at every general meeting. If the Company has no Chairman or if at any general meeting, the Chairman is not present within fifteen (15) minutes after the time appointed for holding the meeting or if the Chairman of the Board is not willing to act as Chairman for the general meeting, the Directors present shall choose one of their number, to act as Chairman or if one (1)



Director only is present, he shall preside as Chairman if he is willing to act. If no Director is present, or if each of the Directors present declines to preside as Chairman, the Members present and entitled to vote shall elect one (1) of their number to be the Chairman. The election of the Chairman shall be by a show of hands.

77. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Without prejudice to any other power which the Chairman may have under the provisions of this Constitution or at common law and subject to the Act and the Listing Requirements, the Chairman shall have full discretion on the general conduct of meeting, procedures to be adopted at the meeting to ensure proper and orderly conduct of the business of all general meetings and the Chairman's decision on matters of procedure or arising accidentally from the business of such meetings shall be final, as shall be his determination as to whether any matter is of such a nature. The Chairman may also at his discretion and in accordance with applicable laws, decides whether to admit new business at a meeting of shareholders.

The Board can ask shareholders or proxies wanting to attend the general meeting to submit, to searches or other security arrangements which the Board decide. The Board can, in their discretion refuse entry to, or remove from, a general meeting, a shareholder or proxy who does not submit to those searches or comply with those security arrangements. Security arrangements may include shareholders or proxies not being allowed in to a general meeting with recording or broadcasting devices or an article which the Chairman of the meeting considers to be dangerous, offensive or liable to cause disruption.

78. Subject to the Listing Requirements, any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting shall be voted by poll. Notwithstanding the above, poll may be demanded in writing:-

- (a) by the Chairman of the meeting;
- (b) by at least three (3) members present in person or by proxy or by attorney or in the case of a corporation by a representative;
- (c) by any member or members present in person or by proxy or by attorney or in the case of a corporation by a representative and representing not less than one-tenth (1/10) of the total voting rights of all the members having the right to vote at the meeting, excluding any voting rights attached to shares in the Company held as treasury shares; or
- (d) by a member or members present in person or by proxy or by attorney or in the case of a corporation by a representative holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid-up equal to not less than one-tenth (1/10) of the total sum paid-up on all the shares conferring that right, excluding any voting rights attached to shares in the Company held as treasury shares.

Unless a poll is so demanded, a declaration by the Chairman of the meeting that a resolution has been carried or has not been carried by a particular majority or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

79. (1) A poll demanded on any resolution shall be taken either immediately or at such subsequent time (not being more than thirty (30) days from the date of the meeting or adjourned meeting at which the poll was demanded) and place as the Chairman may direct but poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- (2) The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. The Chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may in addition to the powers of adjourning meetings contained in Clause 77, adjourn the meeting to some place and time fixed for the purpose of declaring the result of the poll.
- (3) If:
- (a) any objection shall be raised as to the qualification of any voter; or
  - (b) any votes have been counted which ought not to have been counted or which might have been rejected; or
  - (c) any votes are not counted which ought to have been counted;

the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the Chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the Chairman decides that the same is of sufficient magnitude to vitiate the resolution or may otherwise have affected the decision of the meeting. The decision of the Chairman of the meeting on such matters shall be final and conclusive.

A poll shall be taken in such manner as the Chairman of the meeting may direct and at least one (1) scrutineer must be appointed to validate the votes cast at the general meeting. The appointed scrutineer must not be an officer of the Company or its related corporation, and must be independent of the person undertaking the polling process. The Chairman of the meeting may fix a place and time for declaring the results of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

The poll may be conducted manually using voting slips or electronically using various forms of electronic voting devices. Such votes shall be counted by the poll administrator, and verified by the scrutineers, as may be appointed by the Chairman of the meeting for the purpose of determining the outcome of the resolution(s) to be decided by poll.

80. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to any other vote he may have.
81. Subject to any rights or restrictions for the time being attached to any class of shares at meetings of members or classes of members and Clause 67, Clause 68 and Clause 69 above, each member shall be entitled to be present and to vote at any general meeting in respect of any share or shares of which he is the registered holder and upon which all calls due to the Company have been paid, and may vote in person or by proxy or by attorney or by duly authorised representative for a corporation, and on a resolution to be decided on a show of hands, each holder of an ordinary share or, each holder of a preference share who is personally present and entitled to vote, shall be entitled to one (1) vote and on a poll, every such member present in person or by proxy or attorney or representative for a corporation shall have one (1) vote for each share he holds. A proxy shall be entitled to vote on a show of hands or on a poll, on any question, at any general

meeting. In a voting by poll, each proxy shall be entitled to such number of votes equal to the proportion of the member's shareholdings represented by such proxy. A proxy may only vote as directed in the proxy form. However, if the appointor or representative attend and vote on a resolution, the proxy or attorney must not vote.

82. Where the capital of the Company consists of shares of different monetary denominations, voting rights shall be prescribed in such a manner that a unit of capital in each class, when reduced to a common denominator, shall carry the same voting power when such right is exercisable.
83. A Member who is of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorder may vote, whether on a show of hands or on a poll, by his committee or by such other person as properly has the management of his estate, and any such committee or other person may vote by proxy or attorney. Any person entitled under Clause 39 to transfer any shares, may vote at any general meeting in the same manner as if he was the registered holder of such shares provided that he shall satisfy the Directors of his right to transfer such shares, unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof, at least forty-eight (48) hours prior to the time of the meeting or adjourned meeting, at which he proposes to vote.
84. No person shall be entitled to be present or to vote on any resolution either as a member or otherwise as a proxy or attorney or representative for a corporation at any general meeting or demand a poll or be reckoned in the quorum in respect of any shares upon which calls are due and unpaid.
85. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.
86.
  - (1) A member of the Company entitled to attend and vote at a meeting of the Company, or at a meeting of any class of members of the Company, shall be entitled to appoint up to two (2) proxies to attend and vote in his stead at the meeting, and that a proxy may but need not be a member. There shall be no restriction as to the qualification of the proxy. Where a member appoints more than one (1) proxy, he shall specify the proportion of his holdings to be represented by each proxy, failing which the appointment shall be invalid. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
  - (2) Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
87. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's common seal or under the hand of an officer or attorney duly authorised. The Directors, may but shall not be bound to, require evidence of the authority of any such attorney or officer. The instrument appointing a proxy shall be deemed to confer authority on the appointed proxy to demand or join in demanding a poll.
88. Where it is desired to afford members an opportunity of voting for or against a resolution, the instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit or in such other form as the Directors may approve or in any particular case, may accept:

**SCOMI GROUP BHD.**

I/We,..... NRIC No./ Company No. ....of  
 .....and telephone no./ email address .....  
 being a Member/Members of SCOMI GROUP BHD. (the "Company"), hereby appoint  
 ..... NRIC No. .... of  
 ..... or failing him/her, ..... NRIC No.  
 ..... of ..... or failing him/her, THE  
 CHAIRMAN OF THE MEETING as my/our proxy/proxies to vote for me/us on my/our  
 behalf at the [Annual or Extraordinary, as the case may be] General Meeting of the  
 Company, to be held at ..... on ..... or at any adjournment  
 thereof. I/We indicate with an "x" in the spaces below how I/we wish my/our vote to be  
 cast.

Agenda	For	Against

(Please indicate with an "X" in the spaces provided how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his (her) discretion.)

The proportion of my/our shareholdings to be represented by my/our proxies are as follows: -

First Proxy	%
Second Proxy	%
	<u>100%</u>

If appointment of proxy is under hand ..... Signed by *individual member/*officer or attorney of member/*authorised nominee of ..... (beneficial owner)	No. of shares held: ..... Securities Account No.: ..... (CDS Account No.) (Compulsory) Date :
If appointment of proxy is under seal  The Common Seal of .....was hereto affixed in accordance with its Constitution in the presence of:-  ..... Director                      Director/Secretary  in its capacity as *member/*attorney of member/*authorised nominee of .....(beneficial owner)	Seal  No. of shares held: ..... Securities Account No: ..... (CDS Account No.) (Compulsory) Date :

Signed this ..... day of ....., 20.....

\*Strike out whichever is not desired.

[Unless otherwise instructed, the proxy may vote as he thinks fit.]

89. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the Office or at such other place within Malaysia as is specified for that purpose in the notice convening the meeting, not less than forty-eight (48) hours before

the time appointed for holding the meeting or adjourned meeting as the case may be, at which the person named in the instrument proposes to vote, and in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default, the instrument of proxy shall not be treated as valid. The Company may specify a fax number and may specify an electronic address in the notice of meeting, for the purpose of receipt of proxy appointments subject to the Rules, regulations and laws at that time specified therein.

90. Subject to the Act and the Listing Requirements, the Directors or any agent of the Company so authorised by the Directors, may accept the appointment of proxy received by electronic communication on such terms and subject to such conditions as they consider fit. The appointment of proxy by electronic communication shall be in accordance with this Constitution.
- (1) For the purpose of Clause 90, the Directors may require such reasonable evidence they consider necessary to determine:-
    - (a) the identity of the member and the proxy; and
    - (b) where the proxy is appointed by a person acting on behalf of the member, the authority of that person to make the appointment.
  - (2) Without prejudice to Clause 90, the appointment of proxy by electronic communication must be received at the electronic address specified by the Company in any of the following sources and shall be subject to any terms, conditions or limitations specified therein:-
    - (a) Notice calling the meeting;
    - (b) Instrument of proxy sent out by the Company in relation to the meeting; or
    - (c) Website maintained by or on behalf of the Company.
  - (3) An appointment of proxy by electronic communication must be received at the electronic address specified by the Company pursuant to Clause 90(3) not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the form of appointment of proxy proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
  - (4) An appointment of proxy by electronic communication which is not made in accordance with this Clause shall be invalid.
91. Every power, right or privilege of any member to convene, attend, vote and in anyway take part in any meeting of the Company, may be exercised in the event of such member being out of Malaysia by any attorney, whether a member or not, duly appointed by such member for the purpose, by a power of attorney produced at the Office during business hours not less than two (2) Market Days before the same is acted on.
92. A vote given in accordance with the terms of an instrument of proxy or attorney or authority shall be valid, notwithstanding the previous death or unsoundness of mind of the principal or revocation of the instrument of proxy or attorney or authority under which the instrument of proxy was executed, or the transfer of the share in respect of which the instrument of proxy is given, if no intimation in writing of such death, unsoundness of mind, revocation or transfer as aforesaid has been received by the Company at the Office or at such other place within Malaysia before the commencement of the meeting or adjourned meeting or in the case of a poll before the time appointed for the taking of the poll, at which the instrument of proxy is used.

93. A corporation may by resolution of its directors or other governing body, if it is a member, authorise such person as it thinks fit to act as its representative either at a particular meeting or at all meetings of the Company or of any class of members and a person so authorised shall act in accordance with his authority and until his authority is revoked by the corporation, be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it was an individual member.

If the corporation authorises more than one person as its representative, every one of the representative is entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if every one of the representative was an individual member of the company.

If the corporation authorises more than one person and more than one of the representatives purport to exercise the power on the above:

- (a) where the representatives purport to exercise the power in the same way, the power is treated as exercised in that way; or
- (b) where the representatives do not purport to exercise the power in the same way, the power is treated as not exercised.

#### **DIRECTORS: APPOINTMENT, REMOVAL, ETC**

94. Unless otherwise determined by the Company in general meeting and subject to the Listing Requirements, the number of Directors shall not be less than two (2) nor more than twelve (12).
95. Unless otherwise determined by the Company in general meeting, by the Rules or under law, at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, shall be independent Directors. If the number of Directors is not three (3) or multiple of three (3), then the number nearest to one-third (1/3) shall be used for the purpose of determining the requisite number of independent Directors.
96. An election of Directors shall take place each year. At the first annual general meeting of the Company, all the Directors shall retire from office, and at the annual general meeting in every subsequent year, one-third (1/3) of the Directors for the time being or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election PROVIDED ALWAYS that all Directors shall retire from office at least once in every three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires whether adjourned or not.
97. The Directors to retire in each year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.
98. No person, not being a retiring Director, shall be eligible for election to the office of Director at any general meeting unless a member intending to propose him for election has, at least eleven (11) clear days before the meeting, left at the Office, a notice in writing duly signed by the nominee, giving his consent to the nomination and signifying his candidature for the office, or the intention of such member to propose him for election, provided that in the case of a person recommended by the Directors for election, nine (9) clear days' notice only shall be necessary, and notice of each and every candidature for election to the Board shall be served on the registered holders of shares at least seven (7) days prior to the meeting at which the election is to take place. The cost of serving the notice to propose the election of a Director where the nomination is made by a member or members shall be borne by the member or members making the nomination.

99. The Company at the meeting at which a Director so retires may fill the vacated office by electing a person thereto. Unless at that meeting it is expressly resolved not to fill the vacated office or a resolution for the re-election of the Director retiring at that meeting is put to the meeting and lost or some other person is elected a Director in place of the retiring Director, the retiring Director shall, if offering himself for re-election and not being disqualified under the Act from holding office as a Director, be deemed to have been re-elected.
100. At any general meeting at which more than one (1) Director is to be elected, each candidate shall be the subject of a separate motion and vote unless a motion for the appointment of two (2) or more persons as Directors by a single resolution shall have first been agreed to by the meeting without any vote being given against it.
101. The Company may from time to time by ordinary resolution passed at a general meeting, increase or reduce the number of Directors, and may also determine in what rotation the increased or reduced number is to go out of office.
102. The Company may by ordinary resolution of which special notice is given, remove any Director before the expiration of his period of office and may if thought fit, by ordinary resolution appoint another Director in his stead. The person so appointed shall hold office for so long as the Director in whose place he is appointed would as if he had not been removed.
103. The Directors shall have power at any time and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors but so that the total number of Directors shall not at any time exceed the maximum number fixed in accordance with this Constitution. Any Director so appointed shall hold office only until the next following annual general meeting of the Company, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.
104. There shall be no shareholding qualification for Directors.

#### **ANNUAL SHAREHOLDER APPROVAL FOR DIRECTORS' FEES AND BENEFITS**

105. The fees and any benefits payable to the Directors of the Company and its subsidiaries including any compensation for loss of employment of Director or former Director shall from time to time be determined by the Company in general meeting and such remuneration shall be divided among the Directors in such proportions and manner as the Directors may determine PROVIDED ALWAYS that:-
  - (a) fee payable to Non-Executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover and which shall not exceed the amount approved by shareholders in general meeting;
  - (b) remuneration and other emoluments (including bonus, benefits or any other elements) payable to Executive Directors who hold an executive office in the Company pursuant to a contract of service need not be determined by the Company in general meeting but such salaries and emoluments may not include a commission on or percentage of turnover. Nothing herein shall prejudice the powers of the Directors to appoint any of their Members to be the employee or agent of the Company at such remuneration and upon such terms as they think fit provided that such remuneration shall not include commission on or percentage of turnover;
  - (c) fees of Directors and any benefits payable to Directors shall be subject to annual shareholder approval at a general meeting;
  - (d) any fee paid to an alternate Director shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter; and

- (e) the fees and / or benefits payable to non-executive Directors who is also Director of the subsidiaries includes fees, meeting allowances, travelling allowances, benefits, gratuity and compensation for loss of employment of Director or former Director of the Company provided by the Company and subsidiaries, but does not include insurance premium or any issue of securities.
106. (1) The Directors shall be paid for all their travelling, hotel and other expenses properly and necessarily expended by them in and about the business of the Company including their travelling and other expenses incurred in attending meetings of the Directors or any committee of the Directors or general meetings or otherwise.
- (2) If any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors, the Company may remunerate the Director so doing either by a fixed sum or otherwise (other than by a sum to include a commission on or percentage of turnover) as may be determined by the Board provided that in the case of non-executive Directors, the said remuneration shall not include a commission on or percentage of profits or turnover. In the case of an executive Director, such fee may be either in addition to or in substitution for his share in the fee from time to time provided for the Directors.

#### **DISQUALIFICATION OF DIRECTORS**

107. (1) The office of Director shall be vacated if the person holding that office:-
- (a) is an undischarged bankrupt;
  - (b) has been convicted of an offence relating to the promotion, formation or management of a corporation;
  - (c) has been convicted of an offence involving bribery, fraud or dishonesty;
  - (d) becomes disqualified from being a Director by reason of any order made under the Act or has been convicted of an offence under Sections 213, 217, 218, 228 and 539 of the Act;
  - (e) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental disorder during his term of office;
  - (f) is absent from more than fifty percent (50%) of the total Board of Directors' meetings held during a financial year UNLESS an exemption or waiver is obtained from the Exchange;
  - (g) resigns from his office by notice in writing to the Company and deposited at the Office of the Company;
  - (h) is removed from his office of Director by resolution of the Company in general meeting of which special notice has been given;
  - (i) has retired in accordance with the Act or the Constitution of the Company but is not re-elected; or
  - (j) otherwise vacate his office in accordance with the Act or the Constitution of the Company.
- (2) The circumstances referred to in paragraphs (1)(a), (b) and (c) shall be applicable to circumstances in or outside Malaysia.



## POWERS AND DUTIES OF DIRECTORS

108. The business and affairs of the Company shall be managed by Directors or under the direction of the Board who may pay all expenses incurred in promoting and registering the Company. The Board has all the powers necessary for managing and for directing and supervising the management of the business and affairs of the Company and exercise all such powers of the Company as are not by this Constitution or by the Act required to be exercised by the Company in general meeting, subject nevertheless, to any of this Constitution, to the provisions of the Act, and to such regulations, not being inconsistent with this Constitution or the provisions of the Act as may be prescribed by the Company in general meeting but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.
109. The Directors shall not without the prior approval of the Company in general meeting:-
- (a) exercise any power of the Company to issue shares unless otherwise permitted under the Act;
  - (b) arrange or enter or carry into effect any proposal or execute any transaction for the acquisition of an undertaking or property of a substantial value, or the disposal of a substantial portion of or controlling interest in the Company's undertaking or property (includes the whole or substantially the whole of the rights, including developmental rights and benefits);
  - (c) subject to Sections 228(2) and 229 of the Act, enter or carry into effect any arrangement or transaction with a Director or a substantial shareholder of the Company or its holding Company, or its subsidiary or with a person connected with such a Director or substantial shareholder to acquire from or dispose to such Director or substantial shareholder or person connected with such a Director any shares or non-cash assets of the requisite value as stated in the Act; or
  - (d) issue any securities on such terms and subject to such conditions which confer a right to subscribe for new shares of the Company.
110. The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company or subsidiary company or associate company or any related third party subject to the law including but not limited to the provisions of the Act and the Listing Requirements, as they may think fit.
111. The Directors shall not borrow any money or mortgage or charge any of the Company's or its subsidiaries' undertaking, property or uncalled capital, or issue debentures or other securities, whether outright or as security, for any debt, liability or obligation of an unrelated third party.
112. The Directors may establish or arrange any contributory or non-contributory pension or superannuation scheme, share option / incentive scheme and trusts or other funds for the benefit of, or pay a gratuity, pension or emolument, and to issue and allot and / or transfer shares or securities to any person who is or has been employed by or in the service of the Company or any subsidiary of the Company, or to any person who is or has been a Director or other officer of and holds or has held salaried employment in the Company or any such subsidiary, and the widow, family or dependents of any such person. The Directors may also subscribe to any association or fund which they consider to be for the benefit of the Company or any such subsidiary or any such person as aforesaid and make payments for or towards any hospital or scholastic expenses and any Director holding such salaried employment shall be entitled to retain any benefit received by him under this Clause subject only, where the Act requires, for proper disclosure to the members and the approval of the Company in general meeting.

113. The Directors may exercise all the powers of the Company conferred by the Act in relation to any official seal for use outside Malaysia and in relation to branch registers. The Company may have a duplicate Common Seal as referred in Section 62 of the Act which shall be an exact copy of the Common Seal with the addition on its face of the word "Share Seal". The official seal when duly affixed to a Documents has the same effect as the Company's common seal. The person affixing the official seal shall certify in writing on the deed or other Documents to which the seal is affixed the date and place it is affixed.
114. The Directors may from time to time by power of attorney under the Seal, appoint any corporation, firm or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney / attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under this Constitution) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.
115. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be in such manner as the Directors may from time to time by resolution determine.
116. Subject to the Act, the Company's Documents shall be executed, as the case may be, in such manner and by such person as the Directors shall from time to time determine.
117. A Director shall at all times act honestly and use reasonable diligence in the discharge of the duties of his office and shall not make use of any information acquired by virtue of his position to gain directly or indirectly an improper advantage for himself or for any other person or to cause detriment to the Company.
118. Every Director shall give notice to the Company of such events and matters affecting or relating to himself as may be necessary or expedient to enable the Company and its officers to comply with the requirements of the Act.
119. Subject always to the Act and requirements of the Exchange, a Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise nor shall any such contracts, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established but the nature and extent of interest must be declared by him at the meeting of the Directors at which the contract or arrangement is determined, if the interest then exists or in any other case, at the first meeting of the Directors after the acquisition of the interest.
120. Unless prohibited by the rules and / or requirements of the Exchange, any Director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for his or his firm's professional services as if he was not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as auditor of the Company and provided further that such professional services shall be provided at normal commercial terms.

## PROCEEDINGS OF DIRECTORS

121. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Any Director may at any time and the Secretary shall on the requisition of any of the Directors, summon a meeting of the Directors by giving them not less than seven (7) days' notice thereof unless such requirement is waived by them.
122. Unless otherwise determined by the Directors from time to time, notice of all Directors' meetings shall be given and circulated to all Directors and their alternates by facsimile, electronic mail or other communication modes / equipment. Except in the case of an emergency, reasonable notice of every Directors' meeting shall be given in writing. The majority of the Board may waive notice of any meeting and any such waiver may be retroactive.
123. The quorum necessary for the transaction of business of the Directors shall be four (4) and a meeting of the Director for the time being at which a quorum is present shall be competent to exercise all or any of the powers, authorities and discretion by or under this Constitution vested in or exercisable by the Directors generally.
124. Directors may participate in a meeting of Directors by means of conference telephone, conference videophone or any similar or other communications by electronic means.
125. A person in communication by electronic means with the Chairman and with all other parties to a meeting of the Directors or of a committee of Directors shall be regarded for all purposes as personally attending such a meeting and shall be counted in a quorum and be entitled to vote but only for so long he has the ability to communicate interactively and simultaneously with all other parties attending the meeting including all persons attending by electronic means.
126. A meeting at which one or more of the Directors attends by electronic means is deemed to be held at such place as the Directors shall at the said meeting resolve. In the absence of a resolution as aforesaid, the meeting shall be deemed to be held at the place, if any, where a majority of the Directors attending the meeting are physically present, or in default of such a majority, the place at which the Chairman of the meeting is physically present.
127. Subject to the Act, all business transacted in the manner provided above by electronic means shall for the purpose of this Constitution be deemed to be validly and effectively transacted at a meeting of the Board PROVIDED that at least one (1) of the Directors present at the meeting was at such place as resolved or deemed (as the case may be) pursuant to Clause 126 for the duration of the meeting. All information and Documents must be made equally available to all participants prior to or at / during the meeting.
128. The Directors may elect and remove a Chairman of their meetings and determine the period for which he is to hold office but if no such Chairman is elected, or if at any meeting the Chairman is not present within fifteen (15) minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be Chairman of the meeting.
129. The Directors shall not have any power to appoint any person from time to time as their proxies to represent them at Directors' meetings, save and except for their duly appointed alternate Directors.
130. Subject to this Constitution, any question arising at any meeting of Directors shall be decided by a majority of votes and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors. In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote. The Chairman of the meeting shall however not have a second or casting vote where two (2) Directors form a quorum and only such a quorum is present at the meeting or only two (2) Directors are competent to vote on the question at issue.

131. The remaining Director or Directors may continue to act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the minimum number fixed by or pursuant to this Constitution as the necessary quorum of Directors, the remaining Director or Directors may, except in an emergency, act only for the purpose of increasing the number of Directors to such minimum number or to summon a general meeting of the Company.
132. Every Director shall comply with the provisions of Sections 221 and 219 of the Act in connection with the disclosure of his shareholding and interests in the Company and his interest in any contract or proposed contract with the Company and in connection with the disclosure, every Director shall state the fact and the nature, character and extent of any office or possession of any property whereby whether directly or indirectly, duties or interests might be created in conflict with his duty or interest as a Director.
133. A Director may contract with and be interested in any contract or proposed contract with the Company and shall not be liable to account for any profit made by him by reason of any such contract; PROVIDED ALWAYS THAT the nature of the interest of the Director in any such contract be declared at a meeting of the Directors as required by Section 221 of the Act.
134. A Director shall not participate in any discussion or vote in regard to any contract or proposed contract or arrangement in which he has, directly or indirectly, an interest (and if he shall do so his vote shall not be counted).
135. A Director notwithstanding his interest may, provided that none of the other Directors present disagree, be counted in the quorum present at any meeting whereat any decision is taken upon any contract or proposed contract or arrangement in which he is in any way interested PROVIDED ALWAYS that he has complied with Section 221 and all other relevant provisions of the Act and this Constitution.
136. A Director may vote in respect of:-
  - (a) any arrangement for giving the Director himself or any other Directors any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company; and
  - (b) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself or any other Director has assumed responsibility in whole or in part, under a guarantee or indemnity or by the deposit of a security.
137. A Director of the Company may be or become a director or other officer of or otherwise interested in any corporation promoted by the Company or in which the Company may be interested as shareholder or otherwise or any corporation which is directly and indirectly interested in the Company as shareholder or otherwise and no such Director shall be accountable to the Company for any remuneration or other benefit received by him as a director or officer of, or from his interest in, such corporation unless the Company otherwise directs at the time of his appointment. The Directors may exercise the voting power conferred by the shares or other interest in any such other corporation held or owned by the Company, or exercisable by them as directors of such other corporation, in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of the Directors or other officers of such corporation), and any Director may vote in favour of the exercise of such voting rights in manner aforesaid, notwithstanding that he may be or is about to be appointed a director or other officer of such corporation and as such is or may become interested in the exercise of such voting rights in the manner aforesaid.

### **ALTERNATE DIRECTOR**

138. (1) A Director may from time to time nominate any person to act as his alternate Director and at his discretion remove such alternate Director, PROVIDED that:-
- (i) Such person is not a Director of the Company;
  - (ii) Such person does not act as an alternate for more than one (1) Director of the Company;
  - (iii) The appointment is approved by a majority of the other Directors.
  - (iv) Any fee paid by the Company to the alternate Director shall be deducted from that Director's remuneration.
- (2) An alternate Director shall (except as regards the power to appoint an alternate Director and remuneration) be subject in all respects to the terms and conditions existing with reference to the other Directors, and shall be entitled to receive notices of all meetings of the Directors and to attend, speak and vote at any such meeting at which his appointor is not present.
- (3) A Director may at any time by writing revoke the appointment of any alternate appointed by him, and appoint another person approved as aforesaid. An alternate Director shall ipso facto vacate office if the Director appointing him vacates office as director or removes the alternate Director from office. Any appointment or removal of an alternate Director may be made and communicated by his appointor to the Office by electronic transmission or in any other manner approved by the Directors. Any electronic transmission shall be confirmed as soon as possible by letter, but may be acted upon by the Company in the meantime.
- (4) If a Director making any such appointment as aforesaid shall cease to be a Director (otherwise than by reason of vacating his office at a meeting of the Company at which he is re-elected), the person appointed by him shall thereupon cease to have any power or authority to act as an alternate Director.
- (5) An alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote.
- (6) Every person acting as an alternate Director shall be deemed to be an officer of the Company, and shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be an agent of or for the Director appointing him.

### **MANAGING AND / OR EXECUTIVE DIRECTORS**

139. The Directors may from time to time appoint one (1) or more of their body to any executive office or person performing the functions of a managing director, by whatever name called including the offices of Managing Director, Deputy Managing Director or Executive Director for such period and upon such terms as they think fit. The appointment may entrust to and confer upon the Directors holding such executive office, any powers exercisable by them as Directors generally as they may think fit, but such Managing Director, Deputy Managing Director or Executive Director shall be subject to the control of the Board. The Board may from time to time (subject to any provisions of any contract between him and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or appoint a substitute during his or their absence from illness or any other cause and in case of any breach of any agreement his or their remedy against the Company shall be in damages only and he or they shall have no right or claim to continue in such office contrary to the will of the Directors or of the Company in general meeting.
140. The remuneration of a Director holding an executive office pursuant to this Constitution shall, subject to Clause 105, be fixed by the Board and may be by way of salary or commission or participation in profits or otherwise or by any or all of these modes but shall not include a commission on or percentage of turnover.

141. A Managing Director or a Deputy Managing Director shall while he continues to hold that office, be subject to retirement by rotation and shall be reckoned as a Director for the purpose of determining the rotation or retirement of Directors or in fixing the number of Directors to retire, but he shall, subject to provisions of any contract between him and the Company, be subject to the same provision as to resignation and removal as the other Directors of the Company and if he ceases to hold the office of Director for any cause shall ipso facto and immediately cease to be a Managing Director or Deputy Managing Director.

#### **COMMITTEES OF DIRECTORS**

142. The Directors may establish any committees (including, without limitation, a management committee), local boards or agencies comprising two (2) or more persons for managing any other affairs of the Company either in Malaysia or elsewhere, and may lay down, vary or annul such rules and regulations as they may think fit for the conduct of the business thereof, and may appoint any person or persons to be the member or members of any such committee or local board or agency and may fix their remuneration and may delegate to any such committee or local board or agency any of the powers, authorities and discretion vested in the Directors, with power to sub-delegate, and may authorise the member or members of any such committee or local board or agency or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no persons dealing in good faith and without notice of any such annulment or variation shall be affected thereby. The regulations herein contained for the proceedings of Directors shall so far as not altered by any regulations made by the Directors apply also to the meetings and proceedings of any committee.
143. Subject to any rules and regulations made pursuant to Clause 142, a committee may meet and adjourn as it thinks proper and questions arising at any meeting shall be determined by a majority of votes of the members of such committee present and in the case of any equality of votes, the Chairman shall have a second or casting vote.
144. A committee may elect a Chairman of its meetings. If no such Chairman is elected or if at any meeting the Chairman is not present within fifteen (15) minutes after the time appointed for holding the meeting, the members of the committee present may choose one (1) of their number to be Chairman of the meeting.
145. Notwithstanding any provisions to the contrary contained in this Constitution, any member of a committee may participate at a committee meeting by way of telephone and video conferencing or by means of other communication equipment whereby all persons participating in the meeting are able to hear each other, in which event such member shall be deemed to be physically present at the meeting whether for the purposes of this Constitution or otherwise. A member participating in a meeting in the manner aforesaid may also be taken into account in ascertaining the presence of a quorum at the meeting. Any meeting held in such manner shall be deemed to be held at such place as shall be agreed upon by the members attending the meeting PROVIDED that at least one (1) of the members present at the meeting was at such place for the duration of that meeting.

#### **VALIDATION OF ACTS OF DIRECTORS**

146. All acts done by any meeting of the Directors or a committee of Directors or by any person acting as a Director shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director, or member of such committee as aforesaid.
147. Any sale or disposal by the Directors of a substantial portion of the Company's main undertaking or property shall be subject to approval by shareholders in general meeting.

### **DIRECTORS' CIRCULAR RESOLUTIONS**

148. A resolution in writing signed, approved or assented by letter, electronic mail or facsimile by a majority of the Directors for the time being present in Malaysia entitled to receive notice of a meeting of the Directors shall be valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted provided that where a Director is not so present but has an alternate who is so present, then such resolution must also be signed by such alternate. Any such resolution may consist of several Documents in like form (prepared and circulated by facsimile, telex, telegram or electronic mail or other communication modes / equipment), each signed by one (1) or more Director or their alternates. An approval by letter or other written means of a proposed resolution in writing (which has been prepared and circulated as aforesaid) signed by a Director and sent by him by facsimile, telex or telegram or electronic mail or other communication modes / equipment shall be deemed to be a Documents signed by him for the purposes of the foregoing provisions. Any such Documents may be accepted as sufficiently signed by a Director or his alternate if transmitted to the Company by any technology purporting to include a signature and / or electronic or digital signature of the Director or his alternate.

### **AUTHENTICATION OF DOCUMENTS**

149. Any Director or the Secretary shall have power to authenticate any Documents affecting the Constitution of the Company and any resolution passed by the Company or the Directors and any books, records, Documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts.

Where any books, records, Documents or accounts are kept elsewhere than in the Office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid.

150. A document purporting to be a copy of a resolution of the Directors or any extract from the minutes of a meeting of the Directors which is certified by person having powers to authenticate the document as such in accordance with the provisions of Clause 149, shall be conclusive evidence in favour of all persons dealing with the Company on the faith that such resolution has been duly passed or that such extract is a true and accurate record of a duly constituted meeting of the Directors, as the case may be.

### **MINUTES AND REGISTERS**

151. The Directors shall cause minutes to be duly entered in books provided for the purpose:-
- (a) of all appointments of officers;
  - (b) of the names of all the Directors present at each meeting of the Directors and of any Committee of Directors and of the Company in general meeting;
  - (c) of all resolutions and proceedings of general meetings and of all meetings of the Company, class of members, Directors and Committee of Directors; and
  - (d) of all orders made by the Directors and any Committee of Directors.

Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and shall be accepted as prima facie evidence without further proof of the facts stated therein.

152. The Company shall in accordance with the provisions of the Act keep at the Office, a register containing such particulars with respect to the Directors, Manager and Secretaries of the Company as are required by the Act, and shall from time to time notify the Registrar of Companies of any change in such register and of the date of change in the manner prescribed by the Act.

153. The books containing the minutes of proceedings of any general meeting shall be kept by the Company at the Office of the Company and shall be open to the inspection of any member without charge.
154. The Company shall also keep at the Office, registers which shall be open to the inspection of any Member without charge and to any other person on payment of a prescribed fee for each inspection, all such matters required to be so registered under the Act, and in particular:-
- (a) a register of substantial shareholders and of information received in pursuance of the requirements under Sections 144 and 56(4) of the Act; and
  - (b) a register of the particulars of each of the Directors' shareholdings and interests as required under Section 59 of the Act.

#### **SECRETARY**

155. The Secretary or Secretaries shall in accordance with the Act be appointed by the Directors for such term and at such remuneration and upon such conditions as they think fit. The Secretary may resign from his office by giving notice to the Board and his resignation shall take immediate effect.

#### **SEAL**

156. (1) The Directors shall provide for the safe custody of the Seal which shall only be used pursuant to a resolution of the Directors or a committee of the Directors authorising the use of the Seal. The Directors may from time to time make such regulations as they think fit determining the persons and the number of such persons in whose presence the Seal shall be affixed and, until otherwise so determined, the Seal shall be affixed in the presence of at least one (1) Director and counter-signed by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose who shall sign every instrument to which the Seal is affixed. The Directors may by resolution determine either generally or in any particular case that the signature of any Director, the Secretary or such other persons appointed as aforesaid may be affixed or reproduced by facsimile, autographic or other mechanical means provided that the use of such is restricted to a certificate or other Documents of title in respect of any share, stock, debenture or marketable security created or issued by the Company to be given under the Seal of the Company. The Company may exercise the powers of Section 62 of the Act, and such powers are accordingly hereby vested in the Directors.
- (2) The Company may also have a share seal pursuant to Section 63 of the Act.

#### **ACCOUNTS AND FINANCIAL STATEMENTS**

157. (1) The Company, Directors and managers of the Company shall cause proper accounting and other records to be kept and shall distribute copies of financial statements and other Documents as required by the Act and shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting and other records of the Company or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or paper of the Company except as conferred by statute or authorised by the Board. Subject always to Section 245 of the Act, the books of account or records of operations shall be kept at the Office or at such other place as the Directors think fit and shall always be made available for inspection by the Directors.



- (2) The Board shall cause to be prepared, sent to every Member and laid before the Company in its annual general meeting the audited financial statements and directors' report in accordance with the Act. The interval between the close of a financial year of the Company and the issue of the audited financial statements, the Directors' and Auditors' reports shall not exceed four (4) months.
158. A copy of each of the audited financial statements, the Directors' and Auditors' reports in printed form or in CD-ROM or other electronic form permitted under the Listing Requirements or any combination thereof shall, not less than twenty-one (21) days before the date of the annual general meeting be sent to every Member of and to every holder of debentures of the Company and to every other person who is entitled to receive notice of general meetings from the Company in accordance with the provisions of the Act or of this Constitution, provided that this Clause shall not require a copy of these documents to be sent to any person of whose address the Company is not aware but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.
159. Auditors shall be appointed and their duties regulated in accordance with the Act.

### **DIVIDENDS AND RESERVES**

160. (1) The Directors may from time to time declare dividend, but no dividend shall exceed the amount recommended by the Directors. No dividend shall be payable otherwise than out of profits available of the Company or shall bear interest against the Company. The Directors may, if they think fit, from time to time declare and pay to the members such interim dividends as appear to them to be justified by the position of the Company, and may also from time to time, if in their opinion such payment is so justified, pay any preferential dividends which by the terms of issue of any share are made payable on fixed dates.
- (2) The Directors may authorise a distribution of dividend at such time and in such amount as the Directors consider appropriate, if the Directors are satisfied that the Company will be solvent immediately after the distribution is made.
- (3) No higher dividend shall be paid than is authorised by the Directors, and the declarations of the Directors as to the distribution shall be conclusive.
161. The Directors may, before recommending any dividend, set aside out of the profits available of the Company such sums as they think proper as reserves which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied. Pending any such application, such profits may, at the discretion of the Directors, either be employed in the business of the Company or be invested in such investments as the Directors may from time to time think fit. The Directors may also without placing the profits to reserve, carry forward any profits which they think prudent not to divide.
162. The Directors may establish a reserve to be called either "capital reserve" or "realisation account" and shall carry to the credit of such reserve from time to time, all monies realised on the sale of any investments held by the Company in excess of the then book price of the same in providing for depreciation or contingencies. Such capital reserve or realisation account and all other monies in the nature or otherwise, shall be treated for all purposes as capital monies and not as profits available for dividend. Any losses realised on the sale of any investments may be carried to the debit of capital reserve or realisation account except in so far as the Directors shall decide to make good the same out of other monies of the Company.
163. Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect of which the dividend is paid, but no amount paid or credited as paid on a share in advance of call shall be treated for the purposes of this Constitution as

paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.

164. The Directors may deduct from any dividend payable to any Member, all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company held by him.
165. The Directors may retain the dividends payable upon shares in respect of which any person is entitled to become a member under the provision as to the transmission of shares in this Constitution, or which any person is under this Constitution entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.
166. All dividends unclaimed for one (1) year, subject to the Unclaimed Monies Act, 1965 after having been declared may be invested or otherwise used by the Directors for the benefit of the Company until claimed or paid pursuant to the Unclaimed Monies Act, 1965. No unpaid dividend, bonus, or interest shall bear interest as against the Company.
167. Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus, wholly or partly by the distribution of specific assets and in particular, of paid-up shares, debenture or debenture stock of any other company or in any one or more of such ways and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient, and fix the value for the distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any member upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.
168.
  - (1) Any dividend, interest or other money payable in cash in respect of shares or other securities may be paid by direct transfer by means of the electronic payment systems upon terms and subject to conditions as the Directors may stipulate or by cheque or warrant sent by post to the registered address of the holder on the Register or the Record of Depositors or to such person and to such address as the holder may direct in writing. Every such cheque or warrant or remittance via the electronic payment systems shall be made payable to the order of the person to whom it is sent or to such person as the holder may direct, and the payment of any such cheque or warrant or remittance via the electronic payment systems shall operate as a good and full discharge of the Company in respect of the dividend, interest or other money payable in cash in respect of shares or other securities represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that the endorsement thereon has been forged. Every such cheque or warrant shall be sent at the risk of the person entitled to the money thereby represented.
  - (2) Whenever the Directors or the Company in general meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on the ordinary shares of the Company, the Directors may further resolve that members entitled to such dividend be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:-
    - (i) the basis of any such allotment shall be determined by the Directors;
    - (ii) the Directors shall determine the manner in which members shall be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice

to members, providing for forms of election for completion by members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other Documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Constitution;

- (iii) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of the election has been accorded provided that the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and
  - (iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ordinary shares in respect whereof the share election has been duly exercised (the "Elected Ordinary Shares") and in lieu and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the Elected Ordinary Shares on the basis of allotment determined as aforesaid and for such purpose (notwithstanding any provision of the Constitution to the contrary), the Directors shall (i) capitalise and apply the amount standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of ordinary shares for allotment and distribution to and among the holders of the Elected Ordinary Shares on such basis, or (ii) apply the sum which would otherwise have been payable in cash to the holders of Elected Ordinary Shares towards payment of the appropriate number of ordinary shares for allotment and distribution to and among the holders of the Elected Ordinary Shares on such basis.
- (3) (a) The ordinary shares allotted pursuant to the provisions of paragraph (2) of this Clause shall rank *pari passu* in all respects with the ordinary shares then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.
- (b) The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (2) of this Clause, with full power to make such provisions as they think fit in the case of fractional entitlements to ordinary shares (including, notwithstanding any provision to the contrary in this Clause, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down, or whereby the benefit of fractional entitlements accrues to the Company rather than the members).
- (4) The Directors may, on any occasion when they resolve as provided in paragraph (2) of this Clause, determine that the rights of election under that paragraph shall not be made available to the persons who are registered as holders of ordinary shares in the Register of Members or the Depository Register, as the case may be, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors think fit, and in such event the provisions of this Constitution shall be read and construed to such determination.

- (5) The Directors may, on any occasion when they resolve as provided in paragraph (2) of this Clause, further determine that no allotment of shares or rights of election for shares under that paragraph shall be made available or made to members whose registered addresses entered in the Register or the Record of Depositors, as the case may be, is outside Malaysia or to such other members or class of members as the Directors may in their sole discretion decide and in such event the only entitlements of the members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared.
- (6) Notwithstanding the foregoing provisions of this Constitution, if at any time after the Directors' resolution to apply the provisions of paragraph (2) of this Clause in relation to any dividend but prior to the allotment of ordinary shares pursuant thereto, the Directors shall consider that, by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever, it is no longer expedient or appropriate to implement that proposal, the Directors may at their absolute discretion and as they deem fit in the interest of the Company, cancel the proposed application of paragraph (2) of this Clause.

### **CAPITALISATION OF PROFITS**

169. The Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that the sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by those members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed, credited as fully paid-up to and amongst the members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution.
170. Whenever such a resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or debentures to which they may be entitled upon the capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profit resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

### **LANGUAGE**

171. Where any accounts, minute books or other records required to be kept by the Act are not kept in Bahasa Malaysia or English language, the Directors shall cause a true translation of such accounts, minute books and other records to be made in either English or Bahasa Malaysia, from time to time at intervals of not more than seven (7) days and shall cause such translation to be kept with the original accounts, minute books and other records for so long as the original accounts, minute books and other records are required by the Act to be kept.

## **DESTRUCTION OF DOCUMENTS**

172. The Company shall be entitled to destroy all instruments of transfer which shall have been registered at any time after a reasonable time from the date of registration thereof, and all share certificates and dividend mandates which have been cancelled or have ceased to have effect at any time after the expiration of one (1) year from the date of cancellation or cessation thereof, and all notifications of change of name or address after the expiration of one (1) year from the date they were recorded, and in favour of the Company it shall conclusively be presumed that every entry in the register which purports to have been made on the basis of an instrument of transfer or other Documents so destroyed was duly and properly made and every share certificate so destroyed was a valid certificate duly and properly cancelled and every other Documents hereinbefore mentioned so destroyed was a valid and effective Documents in accordance with the recorded particulars thereof in the books or records of the Company PROVIDED THAT:-
- (a) the foregoing provisions of this Clause shall apply only to the destruction of a Documents in good faith and without express notice that the preservation of such Documents was relevant to a claim;
  - (b) nothing contained in this Clause shall be construed as imposing upon the Company any liability in respect of the destruction of any such Documents earlier than as aforesaid or in any other circumstances which would not attach to the Company but for the provisions of this Clause; and
  - (c) reference in this Clause to the destruction of any Documents include references to its disposal in any manner.

## **NOTICES**

173. (1) Any notice or other Documents, if served personally or sent by post, shall be deemed to have been served or delivered at the time personally or when the letter containing the same is put into the post, and in proving such service or sending it shall be sufficient to prove that the letter containing the notice or Documents was properly addressed and put into the post office as a pre-paid letter. Any notice or other Documents given in electronic form shall be transmitted to the electronic address provided by the member for such purpose or by publishing on the website. Every person who, by operation of law, transfer, transmission or other means whatsoever, becomes entitled to any share, shall be bound by every notice which have been duly served to the person from whom he derives the title of such shares, prior to his name and address being entered in the Register or Record of Depositors as the registered holder of such shares. The contact details (including electronic address) of the member are as set out in the Record of Depositors shall be deemed the last known address provided by the member to the Company for purposes of communication with the member/ securities holder.
- (2) Where a notice, or any other Documents or information is served, sent or supplied by electronic communication:-
- (a) to the current address of member/ securities holder, shall be deemed to have been duly given, sent, or served at the time of transmission of the electronic communication by the email server or facility operated by the Company or its service provider to the current address of members (notwithstanding any delayed receipt, non-delivery or "returned mail" reply message or any other error message indicating that the electronic communication was delayed or not successfully sent) unless otherwise provided under the Act and/ or any other applicable laws.
  - (b) by making it available on a website, it shall be deemed to have been duly given, sent or served on the date on which the notice or Documents is first made available on the website, or unless otherwise provided under laws.

- (3) A notice, Documents or information served, sent or supplied by means of a website is deemed to have been given to or received by the intended recipient when the material was first made available on the website and the Company notifying the member/ securities holder in the following manner in writing:-
    - (a) The publication of the notice, Documents or information on the website; and
    - (b) The designated website link or address where a copy of the notice, Documents or information may be downloaded.
  - (4) A member/ securities holder shall be implied to have agreed to receive such notice or Documents or information by way of such electronic communications. However, members are given a right to request for a hard copy of such notice, Documents or information and the Company shall forward a hard copy of such notice or Documents or information to the member within the prescribed period specified under the Listing Requirements.
  - (5) The Directors may, at their discretion, at any time give a member/ securities holder an opportunity to elect within a specified period of time whether to receive such notice, Documents or information by way of electronic communications or as a physical copy, and such member shall be deemed to have consented to receive such notice, Documents or information by way of electronic communications if he was given such an opportunity and he failed to make an election within the specified time, and he shall not in such an event have right to receive a physical copy of such notice, Documents or information.
174. A notice including notice given in electronic form or any other Documents, may be given by the Company to the person entitled to a share in consequence of the death or bankruptcy of a member by sending it through representatives of the deceased or assignee of the bankrupt or by any like description, at the address, if any, within Malaysia supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred. Every person who shall become entitled to any share by operation of law, transfer, transmission or other means whatsoever, shall be bound by every notice in respect of such share, which prior to his name and address being entered in the Register or Record of Depositors as the registered holder of such shares, shall have been duly given to the person from whom he derives the title to such share.
175.
  - (1) Notice of every general meeting shall be given in a manner herein before specified to:-
    - (a) every Director with a registered address in Malaysia or an address for service of notices in Malaysia;
    - (b) every Member with a registered address in Malaysia or an address for service of notices in Malaysia;
    - (c) every person entitled to a share in consequence of the death or bankruptcy of a member who, but for his death or bankruptcy, would be entitled to receive notice of the meeting;
    - (d) the auditors for the time being of the Company; and
    - (e) every Exchange on which the Company is listed and any other relevant authorities.
  - (2) Except as aforesaid no other person shall be entitled to receive notices of general meetings.

- (3) Whenever any notice is required to be given under the provisions of the laws of Malaysia or of this Constitution, waiver or the shortening of the period of such notice, may be effectively given by complying with Section 316(4) of the Act.

#### **WINDING UP**

176. If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company, divide amongst the members in kind the whole or any part of the assets of the Company (whether they consist of property of the same kind or not) and may for that purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how the division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of any such assets in trustees upon such trusts for the benefit of the contributor as the liquidator, with the like sanction, think fit, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.
177. (1) Save that this Constitution shall be without prejudice to the rights of holders of shares issued upon special terms and conditions, the following provisions shall apply:-
- (a) if the Company shall be wound up and the assets available for distribution among the members as such, shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up at the commencement of the winding-up, on the shares held by them respectively; and
- (b) if in a winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding-up, the excess shall be distributed among the members in proportion to the capital paid up, or which ought to have been paid up at the commencement of the winding-up, on the shares held by them respectively.
- (2) Where it is proposed that the whole or part of the business or property of the Company is to be transferred or sold to another corporation in a voluntary winding up, with the sanction of a special resolution of the Company conferring either a general authority on the liquidator or an authority in respect of any particular arrangement, the liquidator of the Company may:-
- (a) receive in compensation or part compensation for the transfer or sale of the shares, debentures, policies or other like interests in the corporation for distribution among the members of the Company; or
- (b) enter into any other arrangement whereby the members of the Company may, in lieu of receiving cash, shares, debentures, policies or other like interests or in addition to the arrangement, participate in the profits of or receive any other benefit from the corporation,
- and any such transfer, sale or arrangement shall be binding on the members of the Company.
- (3) If any member of the Company expresses his dissent on matters referred to in subsection (2) in writing addressed to the liquidator and delivered to the office of the liquidator within seven (7) days from the passing of the resolution, the member may require the liquidator to either abstain from carrying the resolution into effect or to purchase his interest at a price to be determined by an agreement or by arbitration in the manner set out in Section 457 of the Act.

178. Subject to Section 454 of the Act, on the voluntary liquidation of the Company, no commission or fee shall be paid to a liquidator unless it shall have been approved by the members. The amount of such payment shall be notified to all members at least seven (7) days before the meeting at which the commission or fee is to be considered.

#### **SECURITY CLAUSE**

179. Save as may be provided by the Act, no Member shall be entitled to enter into or inspect any premises or property of the Company or to require disclosure of any information in respect of any detail of the Company's trading, manufacturing or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the members to communicate to the public.

#### **INDEMNITY**

180. Except where any liability which by law would otherwise attach to an officer or auditor of the Company in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company, every Director, whether holding an executive office pursuant to this Constitution or not, auditor, Secretary and other officer for the time being of the Company shall be indemnified out of the assets of the Company (including effect of insurance) against:-
- (a) any loss or liability incurred by him that related to the liability for any act or omission in his capacity as an officer or auditor and in which judgment is given in favour of the officer or auditor or in which the officer or auditor is acquitted or in which the officer or auditor is granted relief under this Act, or where proceedings are discontinued or not pursued; and
  - (b) any cost incurred by him in defending any proceedings relating to any liability to any person, other than Company for any act or omission in his capacity as an officer or auditor except a fine imposed in criminal proceedings, a sum payable to regulatory authority, any liability incurred in defending criminal proceedings in which he is convicted or in defending civil proceedings brought by the Company, or an associated company, in which judgment is given against him.

#### **ALTERATION OF CONSTITUTION**

181. Subject to the Act and to the provisions of the Listing Requirements (if any), the Company may by special resolution delete, alter or add to this Constitution.

#### **COMPLIANCE WITH STATUTES, REGULATIONS AND RULES**

182. The Company shall comply with the provisions of the Act, relevant governing statutes, regulations and rules as may be amended, modified or varied from time to time, or any other directive or requirement imposed by the Exchange, the Bursa Depository and other appropriate authorities, to the extent required by law, notwithstanding any provisions in this Constitution to the contrary.