

**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 independent adviser immediately.

Bursa Malaysia Securities Berhad (Bursa Securities) has not perused the contents of Part B of this Circular prior to its issuance as they are prescribed as exempt document pursuant to Practice Note 18 of Bursa Securities Main Market Listing Requirements (MMLR).

In relation to Part A of this Circular, Bursa Securities has only perused the proposed new shareholders' mandate for recurrent related party transactions of a revenue or trading nature on a limited review basis pursuant to the provisions of Practice Note 18 of Bursa Securities MMLR.

Bursa Securities takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



**DELEUM BERHAD**

(Company No. 715640-T)  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS  
IN RELATION TO THE**

**PART A**

**PROPOSED SHAREHOLDERS' MANDATE FOR  
RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE  
OR TRADING NATURE**

**PART B**

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

The Resolutions in respect of the above will be tabled as Special Business at the Company's Fourteenth Annual General Meeting ("AGM") to be held at Ballroom 1, First Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Tuesday, 14 May 2019 at 10.00 a.m. Notice of the AGM together with the Proxy Form are set out in the Annual Report of the Company for the financial year ended 31 December 2018 despatched together with this Circular.

The Proxy Form should be lodged at the Registered Office of the Company at No. 2, Jalan Bangsar Utama 9, Bangsar Utama, 59000 Kuala Lumpur, Malaysia, not less than forty-eight (48) hours before the time set for the AGM. The lodging of the Proxy Form will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you subsequently wish to do so.

This Circular is dated 15 April 2019

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## DEFINITIONS

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Unless where the context otherwise requires, the following definitions shall apply throughout this Circular:

<b>Act</b>	:	The Companies Act 2016, or any statutory modification, amendment or re-enactment thereof for the time being in force
<b>AGM</b>	:	Annual General Meeting
<b>Bursa Securities</b>	:	Bursa Malaysia Securities Berhad (635998-W)
<b>Board</b>	:	The Board of Directors of Deleum
<b>Caterpillar</b>	:	Caterpillar Inc.
<b>Constitution</b>	:	Constitution of Deleum Berhad, as amended from time to time
<b>Deleum or Company</b>	:	Deleum Berhad (715640-T)
<b>Deleum Group or Group</b>	:	Deleum and its subsidiaries as defined in Section 4 of the Act
<b>Deleum Shares</b>	:	Ordinary shares in the Company
<b>Director(s)</b>	:	Has 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, its subsidiary or holding company or a chief executive of the Company, its subsidiary or holding company
<b>Dresser</b>	:	Dresser Cyprus Limited
<b>Dresser Italia</b>	:	Dresser Italia S.r.l
<b>DSSB</b>	:	Deleum Services Sdn. Bhd. (28307-K), a wholly-owned subsidiary of Deleum
<b>Listing Requirements</b>	:	Main Market Listing Requirements of Bursa Securities
<b>Major Shareholder(s)</b>	:	A person who has an interest or interests in one or more voting shares in a corporation and the number or aggregate number of those shares, is 10% or more of the total number of voting shares in the company; or 5% or more of the total number of voting shares in the corporation where such person is the largest shareholder of the corporation. For the purpose of this definition, "interest" shall have the meaning of "interest in shares" given in Section 8 of the Act  It also 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 Major Shareholder of the Company (as defined above) or any other company which is its subsidiary or holding company

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**DEFINITIONS (CONT'D)**

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<b>Person(s) Connected</b>	:	As defined in Chapter 1 Paragraph 1.01 of the Listing Requirements
<b>PDSB</b>	:	Penaga Dresser Sdn. Bhd. (81758-M), a 51% owned subsidiary of DSSB
<b>Proposed New Constitution</b>	:	Proposed adoption of new Constitution of the Company
<b>Proposed Shareholders' Mandate</b>	:	Proposed Shareholders' Mandate for the Deleum Group to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Group
<b>Recurrent Related Party Transactions or RRPTs</b>	:	A related party transaction which is recurrent, of a revenue or trading nature and which is necessary for day-to-day operations of the Group
<b>Related Party(ies)</b>	:	A Director, Major Shareholder or person connected with such Director or Major Shareholder
<b>RM</b>	:	Ringgit Malaysia
<b>STICO</b>	:	Solar Turbines International Company
<b>TSSB</b>	:	Turboservices Sdn. Bhd. (165849-A), a 74% owned subsidiary of DSSB

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**PART A**

**PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED  
PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**



**DELEUM**

**DELEUM BERHAD**

(Company No. 715640-T)  
(Incorporated in Malaysia)

**Registered Office:**

No. 2, Jalan Bangsar Utama 9  
Bangsar Utama  
59000 Kuala Lumpur  
Malaysia

15 April 2019

**Board of Directors**

Dato' Izhah bin Mahmud (*Non-Independent Non-Executive Chairman*)  
Datuk Vivekananthan a/l M.V. Nathan (*Non-Independent Non-Executive Deputy Chairman*)  
Nan Yusri bin Nan Rahimy (*Group Managing Director*)  
Datuk Ishak bin Imam Abas (*Independent Non-Executive Director*)  
Datuk Ir (Dr) Abdul Rahim bin Hashim (*Senior Independent Non-Executive Director*)  
Datuk Noor Azian binti Shaari (*Independent Non-Executive Director*)  
Mr Lee Yoke Khai (*Independent Non-Executive Director*)

**To : The Shareholders of Deleum**

Dear Sir/Madam,

**PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY  
TRANSACTIONS OF A REVENUE OR TRADING NATURE**

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**1. INTRODUCTION**

At its AGM held on 16 May 2018, the Company obtained a mandate from its shareholders for the Company and/or its subsidiaries to enter into Recurrent Related Party Transactions. Pursuant to Paragraph 10.09 and Practice Note 12 of the Listing Requirements, the mandate conferred by the shareholders for the Deleum Group to enter into RRPTs shall expire at the conclusion of the forthcoming Fourteenth AGM of the Company to be held on Tuesday, 14 May 2019.

Accordingly, on 20 March 2019, the Company announced its intention to seek the shareholders' approval for the Proposed Shareholders' Mandate at its forthcoming AGM.

The purpose of Part A of this Circular is to provide you with the details of the Proposed Shareholders' Mandate and to seek your approval for the ordinary resolutions pertaining to the Proposed Shareholders' Mandate to be tabled as Special Business at the forthcoming AGM.

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

### **2.1 Paragraph 10.09 and Practice Note 12 of the Listing Requirements**

Under Paragraph 10.09(2) of the Listing Requirements, the Company may seek a shareholders' mandate for RRPTs, subject to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the Company's annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year, where the aggregate value is equal to or more than the threshold prescribed under paragraph 10.09(1) of the Listing Requirements;
- (c) the circular to shareholders by the Company for the shareholders' mandate shall include information as may be prescribed by Bursa Securities;
- (d) in the meeting to obtain shareholders' mandate, the interested directors, major shareholders or interested Persons Connected with a director or major shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, shall abstain from voting on the resolution approving the transactions. An interested director or interested major shareholder must ensure that Persons Connected with him abstain from voting on the resolution approving the transactions; and
- (e) the Company will immediately announce to Bursa Securities when the actual value of the RRPTs entered into by the Company exceeds the estimated value of the RRPTs disclosed in the Circular by 10% or more inclusive of any information as may be prescribed by Bursa Securities.

### **2.2 Validity Period**

The Proposed Shareholders' Mandate, if approved by shareholders at the forthcoming AGM, will take effect from the date of the passing of the ordinary resolution proposed at the AGM and the authority conferred under the Proposed Shareholders' Mandate shall only continue to be in force until:

- (a) the conclusion of the next AGM of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting;

whichever is the earlier.



It is anticipated that the Deleum Group would, in the ordinary course of business, enter into RRPTs and that such RRPTs will occur with some degree of frequency and could arise at any time and from time to time. In view of the time-sensitive, confidential and frequent nature of such RRPTs, the procurement of the Proposed Shareholders' Mandate with the classes of Related Parties, as set out in Section 2.5, will allow the Group to enter into RRPTs provided such transactions are entered into at arms' length and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders.

### 2.3 The Principal Activities of the Deleum Group

The principal activity of Deleum is investment holding whilst its subsidiaries are principally involved in the provision of gas turbines packages and related services, oilfield equipment and services, servicing of rotating equipment, integrated corrosion and inspection services, predominantly for the oil and gas industry.

The nature of businesses of the Deleum Group is primarily in the following segments:

**Power and Machinery** - Mainly consisting of the sale of gas turbines and related parts, gas turbine overhaul, maintenance and technical services, including complete installation turnkey for new installations, package renewals and retrofit projects; supply and commission combined heat and power plants; supply, install, repair and maintenance of valves, flow regulators and other production related equipment; repair, servicing maintenance and overhaul of motors, generators, transformers and pumps.

**Oilfield Services** - Mainly consisting of the provision of slickline equipment and services, integrated wellhead maintenance services, well intervention services, cased hole logging services, drilling and completions services, subsurface engineering services, specialty chemicals and well stimulation services.

**Integrated Corrosion Solution** – Mainly consisting of the provision of integrated corrosion and inspection services, blasting technology, maintenance, construction and modification maintenance activities, services for tanks, vessels, structures and piping.

The subsidiaries involved in the Proposed Shareholders' Mandate are as follows:

<b>Subsidiary of Deleum</b>	<b>Equity Interest (%)</b>	<b>Principal Activities</b>
DSSB	100	Provision of gas turbine packages, maintenance and technical services, combined heat and power plants, and production related equipment, and services predominantly for the oil and gas industry.
<b>Subsidiary of DSSB</b>	<b>Equity Interest (%)</b>	<b>Principal Activities</b>
TSSB	74	Provision of gas turbine overhaul and technical services and supply of gas turbine parts to the oil and gas and general industry.
PDSB	51	Supply, repair, maintenance and installation of valves and flow regulators for the oil and gas and power industry.

## 2.4 The Principal Activities of the Related Parties

The Proposed Shareholders' Mandate will apply to the following Related Parties:

Related Party	Principal Activities
STICO	Selling and providing STICO products and after market support services including but not limited to repair, overhaul, maintenance, troubleshooting, inspection, supply of service parts and overhaul.
Dresser Italia	Manufacturer/Producer of control valves and safety valves.
Caterpillar	Manufacturing of construction and mining equipment, diesel and natural gas engines, industrial gas turbines and diesel-electric locomotives for applications in three main product segments - Construction Industries, Resource Industries and Energy & Transportation. Caterpillar also provides financing and related services through its Financial Products segment.
Dresser	Design and manufacture of various types of measurements, instrumentation, piping and pressure control solutions and related products.

## 2.5 Information on RRPTs

The Proposed Shareholders' Mandate would cover transactions entered into at arms' length and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders.

### (i) Existing Shareholders' Mandate

	Related Parties	Nature of Interest	Company in the Deleum Group involved	Nature of Transactions	Estimated Value as per last mandate (RM'000)	Actual Value transacted as at 31 March 2019 (RM'000)	Estimated Value for the validity of the proposed mandate (RM'000)
(1)	STICO	Note (1)	TSSB	Provision of gas turbine overhaul and technical services and support and gas turbine parts by STICO and/or its related parties to TSSB	400,000	201,168	} 10,500
				Provision of manpower services by TSSB to:			
				- STICO	7,000	238	
				- related parties of STICO	3,500	3,775	

(i) Existing Shareholders' Mandate (cont'd)

	Related Parties	Nature of Interest	Company in the Deleum Group involved	Nature of Transactions	Estimated Value as per last mandate (RM'000)	Actual Value transacted as at 31 March 2019 (RM'000)	Estimated Value for the validity of the proposed mandate (RM'000)
(2)	Dresser Italia	Note (2)	PDSB	Purchases of valves and spare parts by PDSB from Dresser Italia and/or its related parties	50,050	23,001	55,000
				Provision of painting and services of valves by PDSB to related parties of Dresser Italia	1,500	1,233	2,000
				Training & Certification fees charged by related parties of Dresser Italia to PDSB	250	72	250

(ii) New Shareholders' Mandate

	Related Parties	Nature of Interest	Company in the Deleum Group involved	Nature of Transactions	Estimated Value for the validity of the proposed mandate (RM'000)
(1)	Dresser Italia	Note (2)	PDSB	Sales of valves and spare parts by PDSB to related parties of Dresser Italia	1,000

Note (1): STICO holds 26% of the issued share capital of TSSB. Caterpillar and its affiliates are Persons Connected to STICO. STICO is a 100% wholly-owned subsidiary of Caterpillar. Neither Caterpillar nor STICO have any equity interest in Deleum. None of the directors nominated by STICO to sit on the Board of TSSB is a director on the Board of Deleum or any of its other subsidiaries.

Note (2): Dresser Italia holds 49% of the issued share capital of PDSB. Dresser and its affiliates are Persons Connected to Dresser Italia. Dresser Italia is a 100% wholly-owned subsidiary of Dresser. Neither Dresser nor Dresser Italia have any equity interest in Deleum. None of the directors nominated by Dresser Italia to sit on the Board of PDSB is a director on the Board of Deleum or any of its other subsidiaries.

The abovementioned estimated values are based on best estimates by the management after taking into account historical trends and projected business volume during the validity of the Proposed Shareholders' Mandate. The actual transacted value may vary from the estimates shown above.

## 2.6 Deviation from Mandate

The actual value of the RRPTs from the date on which the existing mandate was obtained at the last AGM of the Company i.e. 16 May 2018 up to 31 March 2019 being the latest practicable date prior to printing of this Circular did not exceed by 10% or more of the estimated value as approved under the mandate granted to the Company at the last AGM.

## **2.7 Review Procedures for the RRPTs**

To ensure that such RRPTs are undertaken at arms' length and on normal commercial terms not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders, the transactions with the Related Parties shall be determined based on prevailing rates or prices according to their usual commercial terms, business practices and policies or otherwise in accordance with other applicable industry norms. Consideration will also be given to the expertise required, quality of product, level of service and other related factors. Whenever possible, at least two other contemporaneous quotes with unrelated third parties for similar products/services and/or quantities will be used as comparison to determine whether the price and terms offered to/by the Related Parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities.

The following review procedures have also been implemented:

- (a) Where the Related Parties' products and services are proprietary in nature, the prices of these products/services are negotiated specifically between the proprietor and purchaser based on the usual commercial terms, business practices and policies or otherwise in accordance with other applicable industry norms/considerations to ensure that the RRPTs are not detrimental to the Group;
- (b) All RRPTs entered into pursuant to the Proposed Shareholders' Mandate will be recorded for review by the Audit Committee at least once a year;
- (c) All RRPTs will be reviewed by the Audit Committee on a quarterly basis. The Audit Committee, may as it deem fit, request for additional information pertaining to the transactions from independent sources or advisers; and
- (d) Where any member of the Audit Committee is interested in any transactions, that member shall abstain from all deliberations and also voting on any matter relating to any decisions to be taken by the Audit Committee with respect to such transactions.

## **2.8 Thresholds for Approval**

All transactions, regardless of whether they are RRPTs or not, are approved in accordance with the Delegation of Authority Guidelines of the Company and/or its subsidiaries ("the DAG") which governs the day-to-day operations and transactions. It provides overall authority limits to be adhered to and the levels of authority of the management team up to the Group Managing Director.

Approval of all transactions including RRPTs are based on the nature of the transaction, amounts and authority levels as prescribed in the DAG. All sales and purchases require the prior approval of the Heads of Business Units upon review by the relevant functions.

The approval process and limits in accordance with the DAG is summarised as follows:

Issuance of Purchase Orders in respect of the RRPTs of TSSB in accordance with the DAG requires the approval of the Chief Executive Officer for amounts up to RM35 million, of the Group Chief Operating Officer or Group Chief Financial Officer for amounts up to RM40 million and of the Group Managing Director for amounts up to RM50 million. The joint approval of the Group Managing Director and the Deputy Chairman is required for amounts exceeding RM50 million and up to RM70 million. Amounts in excess of RM70 million require the joint approval of the Group Managing Director and the Chairman.

Issuance of Purchase Orders in respect of the RRPTs of PDSB in accordance with the DAG requires the approval of the Senior Manager jointly with General Manager for any amounts.

## **2.9 Amount Due and Owing to the Deleum Group by Related Parties**

As at the financial year ended 31 December 2018, there is no amount due and owing to the Deleum Group which has exceeded the credit term.

## **3. AUDIT COMMITTEE STATEMENT**

The Audit Committee of the Company is of the view that the RRPTs entered and to be entered into are in the best interests of the Company, are fair, reasonable and on normal commercial terms and are not detrimental to the interests of the minority shareholders and that the procedures mentioned in Section 2.7 above, which are reviewed annually, are sufficient to monitor, track and identify RRPTs in a timely and orderly manner. These procedures put in place are to ensure that the RRPTs are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders.

## **4. RATIONALE AND BENEFITS FOR THE PROPOSED SHAREHOLDERS' MANDATE**

The RRPTs entered or to be entered into by the Deleum Group are intended to meet the Group's day-to-day business needs at the best possible terms and to enhance the Group's ability to explore beneficial business opportunities.

As such, the rationale for and benefits of the Proposed Shareholders' Mandate to the Deleum Group are as follows:

- (a) to facilitate transactions with Related Parties which are in the ordinary course of business of the Group, are undertaken at arms' length, normal commercial terms and on prices which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the interests of minority shareholders;
- (b) to enable the Group to transact with Related Parties in an expeditious manner to meet business needs for the supply and/or provision of goods and services which are necessary for its day-to-day operations particularly business needs which are time sensitive in nature;
- (c) the Group has established relationships with the Related Parties which are partners of the Group. They are internationally renowned corporations and OEMs. TSSB and PDSB tap into their respective expertise and resources to provide services to the customer base, thereby contributing to the earnings and performance of the Group. Therefore, it is in the interests of the Group to transact with such Related Parties to enhance its competitiveness, competence and capabilities. Also, these partnerships would provide the opportunities to explore and penetrate new markets; and

- (d) to eliminate the need to announce and/or convene separate general meetings from time to time to seek shareholders' approval for entering into the RRPTs, as required pursuant to Chapter 10 of the Listing Requirements and thereby enable resources, costs and time to be channelled towards achieving the Group's business objectives.

## **5. APPROVAL REQUIRED**

The Proposed Shareholders' Mandate is subject to the approval of the shareholders of Deleum at the forthcoming AGM to be convened.

## **6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS**

Save for STICO and Dresser Italia being the Major Shareholders of TSSB and PDSB respectively, none of the Directors and Major Shareholders of Deleum and Persons Connected to the Directors and Major Shareholders are interested in the Proposed Shareholders' Mandate. The Proposed Shareholders' Mandate is sought pursuant to Paragraph 10.09 of the Listing Requirements.

The nature of interests of the interested Major shareholders are set out in Section 2.5 of this Circular. The interested Major shareholders and Persons Connected to them, if any, will abstain from voting on the ordinary resolutions deliberating or approving the Proposed Shareholders' Mandate at the forthcoming AGM and have undertaken that they will ensure that Persons Connected to them (as defined in the Listing Requirements), if any, will abstain from deliberating, approving or voting on the ordinary resolutions to approve the Proposed Shareholders' Mandate at the forthcoming AGM.

## **7. AGM**

The AGM of the Company will be held at Ballroom 1, First Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Tuesday, 14 May 2019 at 10.00 a.m. or at any adjournment thereof for the purpose of considering and if thought fit, passing, inter alia, the resolutions to approve and give effect to the Proposed Shareholders' Mandate under Special Business in the Notice of AGM which is enclosed in the Annual Report of the Company for the financial year ended 31 December 2018 accompanying this Circular.

If you are unable to attend and vote in person at the AGM and wish to appoint a proxy instead, you should complete and return the Proxy Form enclosed in the Annual Report in accordance with the instructions printed thereon. The Proxy Form must be lodged at the registered office of the Company at No. 2, Jalan Bangsar Utama 9, Bangsar Utama, 59000 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time fixed for the AGM or any adjournment thereof. The lodging of the Proxy Form does not preclude you from attending and voting in person should you subsequently decide to do so.

## **8. DIRECTORS' RECOMMENDATION**

The Board, having taken into consideration all relevant aspects of the Proposed Shareholders' Mandate is of the opinion that the Proposed Shareholders' Mandate is in the best interests of the Deleum Group, is fair, reasonable and on normal commercial terms and not detrimental to the interests of the minority shareholders and accordingly they recommend that you vote in favour of the ordinary resolutions pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM.

**9. FURTHER INFORMATION**

Shareholders are requested to refer to the attached Annexure I for further information.

Yours faithfully  
For and on behalf of the Board  
**DELEUM BERHAD**

**DATO' IZHAM BIN MAHMUD**  
Non-Independent Non-Executive Chairman

**PART B**

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





**DELEUM**

**DELEUM BERHAD**

(Company No. 715640-T)  
(Incorporated in Malaysia)

**Registered Office:**

No. 2, Jalan Bangsar Utama 9  
Bangsar Utama  
59000 Kuala Lumpur  
Malaysia

15 April 2019

**Board of Directors**

Dato' Izham bin Mahmud (*Non-Independent Non-Executive Chairman*)  
Datuk Vivekananthan a/l M.V. Nathan (*Non-Independent Non-Executive Deputy Chairman*)  
Nan Yusri bin Nan Rahimy (*Group Managing Director*)  
Datuk Ishak bin Imam Abas (*Independent Non-Executive Director*)  
Datuk Ir (Dr) Abdul Rahim bin Hashim (*Senior Independent Non-Executive Director*)  
Datuk Noor Azian binti Shaari (*Independent Non-Executive Director*)  
Mr Lee Yoke Khai (*Independent Non-Executive Director*)

**To : The Shareholders of Deleum**

Dear Sir/Madam,

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

**1. INTRODUCTION**

The Company had on 20 March 2019 announced its intention to seek the shareholders' approval for the Proposed New Constitution at its forthcoming Fourteenth AGM of the Company to be held on Tuesday, 14 May 2019.

The purpose of Part B of this Circular is to provide you with the details of the Proposed New Constitution and to seek your approval for the special resolution pertaining to the Proposed New Constitution to be tabled as Special Business at the forthcoming AGM.

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

The Board proposes to adopt a new Constitution in place of the existing Constitution (formerly known as Memorandum and Articles of Association under the Companies Act, 1965) after taking into account the following:

- (i) the Act which came into effect on 31 January 2017; and
- (ii) the updated Listing Requirements.

The new Constitution of the Company shall take effect upon the special resolution in respect of the Proposed New Constitution has been passed by a majority of not less than 75% of the total voting rights of the members who are entitled to vote and do vote in person or by proxy at the forthcoming AGM.

The Proposed New Constitution is primarily for the purpose of streamlining the Company's existing Constitution to be in line with the Act and Listing Requirements, and to provide clarity to certain provisions therein.

A copy of the new Constitution proposed to be adopted is set out in Appendix I of this Circular.

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

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

### **4. APPROVAL REQUIRED**

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

### **5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS**

None of our Directors or Major Shareholders and/or Persons Connected to them has any interest, direct or indirect, in the Proposed New Constitution.

### **6. DIRECTORS' RECOMMENDATION**

The Board, having taken into consideration all relevant aspects of the Proposed New Constitution is of the opinion that the Proposed New Constitution is in the best interest of the Company. Accordingly, the Board recommends that you vote in favour of the special resolution pertaining to the Proposed New Constitution to be tabled at the forthcoming AGM.

### **7. AGM**

The AGM of the Company will be held at Ballroom 1, First Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Tuesday, 14 May 2019 at 10.00 a.m. or at any adjournment thereof for the purpose of considering and if thought fit, passing, inter alia, the special resolution to approve and give effect to the Proposed New Constitution under Special Business in the Notice of AGM which is enclosed in the Annual Report of the Company for the financial year ended 31 December 2018 accompanying this Circular.

If you are unable to attend and vote in person at the AGM and wish to appoint a proxy instead, you should complete and return the Proxy Form enclosed in the Annual Report in accordance with the instructions printed thereon. The Proxy Form must be lodged at the registered office of the Company at No. 2, Jalan Bangsar Utama 9, Bangsar Utama, 59000 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time fixed for the AGM or any adjournment thereof. The lodging of the Proxy Form does not preclude you from attending and voting in person should you subsequently decide to do so.

**8. FURTHER INFORMATION**

Shareholders are requested to refer to the attached Annexure I and Appendix I for further information.

Yours faithfully  
For and on behalf of the Board  
**DELEUM BERHAD**

**DATO' IZHAM BIN MAHMUD**  
Non-Independent Non-Executive Chairman

## **FURTHER INFORMATION**

### **1. RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by the Board and they collectively and individually accept full responsibility for the accuracy of the information given herein 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 herein misleading.

### **2. MATERIAL LITIGATION**

Deleum and/or its subsidiaries are not engaged in any material litigation, claims or arbitration either as plaintiff or defendant, which may have a material effect on the financial position of the Deleum Group and the Directors of Deleum do not have any knowledge of any proceedings, pending or threatened, against the Deleum Group or of any facts which is likely to give rise to any proceedings which may materially and adversely affect the financial position or business of the Deleum Group.

### **3. MATERIAL CONTRACTS**

There are no material contracts (including contracts not reduced into writing), not being contracts entered into in the ordinary course of business, which have been entered into by the Company and/or its subsidiaries within two (2) years preceding the date of this Circular.

### **4. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of the Company following the publication of this Circular from Mondays to Fridays (except public holidays) during normal business hours up to and including the date of the AGM:

- (i) The Constitution of Deleum; and
- (ii) The audited consolidated financial statements of Deleum and its subsidiaries for the past two (2) financial years ended 31 December 2017 and 2018.

THE COMPANIES ACT 2016  
MALAYSIA

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PUBLIC COMPANY LIMITED BY SHARES

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CONSTITUTION

OF

**DELEUM BERHAD**  
(Company No. 715640-T)

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Incorporated on the 23<sup>rd</sup> day of November 2005

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(Updated on 14 May 2019)

**THE COMPANIES ACT 2016**

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**PUBLIC COMPANY LIMITED BY SHARES**

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**CONSTITUTION  
OF  
DELEUM BERHAD**

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1. The name of the company is **DELEUM BERHAD**.
2. The registered office of the Company will be situated in Malaysia.
3. The objects for which the Company is established are:-
  - (1) To carry on the business of an investment company and for that purpose to acquire and hold either in the name of the company or in that of any nominee shares, stocks, debentures, debenture stock, bonds, notes, obligations and securities issued or guaranteed by any company wherever incorporated or carrying on business.
  - (2) To carry on the business of sellers, suppliers, agents, distributors, wholesalers, retailers, carriers, transporters, dealers, hirers, storers, warehousemen, importers, exporters, manufacturers and service providers of or otherwise deal in all kinds of equipment, plant and machinery, parts, tools, implements, utensils, lubricants, cements, solutions, articles, appliances and all products connected with or required by the oil and gas, petrochemical and general industries and to provide technical, engineering, drilling services, field services, consultancy, research and development and any other services in connection with the oil and gas, petrochemical and general industries and to own and operate drilling rigs and oil and gas concessions including exploration development and production of oil and gas concessions; and to carry on business of financing, engineering, procuring, installing, operating, maintaining, supplying of equipment, acquisition of lands and properties for power generation and co-generation power plants facilities and to acquire, construct, erect, lay, maintain, enlarge, work and use all such land, buildings, easements and other works, machinery, plant, pipes, motors, meters, apparatus, materials and things in conjunction with power generation and co-generation power plant and facilities and to provide and carry on any other services in relation to power generation and co-generation including transportation and supply of water, chilled water, steam, gas, electricity and the like.
  - (3) To provide management services and to undertake management of business of all descriptions for corporations and firms, to develop and advance the business interest of each corporation and firms with the objectives of producing practical results and increasing profitability and to provide retainer and related services, to act as managers, agents and secretaries to companies, registrars, trustees, executors, or administrators, and to accept any office of trust or confidence, and to perform and discharge the duties and obligations of and incidental to any such office, and to undertake or take part in the management, supervision or control of any business operations or undertakings of any company or person.

Notwithstanding the above, Section 21 of the Companies Act 2016 also applies to the Company and without derogating from the generality of this provision, the Company has unlimited capacity to carry on or undertake any business or activity that is in the best interest of the Company with full rights, powers and privileges for that purpose subject always to any other written laws in connection therewith.

4. The paragraphs as set forth in the Third Schedule of the Companies Act 2016 shall not apply to this company except in so far as the same is repeated or contained in this Constitution.
5. The liability of the Members is limited.
6. Subject always to the respective rights, terms and conditions mentioned in Clause 48 hereof, the Company shall have power to increase or reduce the capital, to consolidate or sub-divide the shares and to issue all or any part of the original or any additional capital as fully paid or partly paid shares, and with any special or preferential rights or privileges, conditions or restrictions, in different or several classes, the rights attached thereto are provided by the terms of issue or subject to any special terms or conditions as to dividends, capital, voting or otherwise and either with or without any special designation, and also from time to time to alter, modify, commute, abrogate or deal with any such rights, privileges, terms, conditions or designations in accordance with the regulations for the time being of the Company.
7. **Interpretation.** In this Constitution 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, if not inconsistent with the subject or context.

Act	:	The Companies Act 2016 and every other Act or any statutory modification or re-enactment thereof for the time being in force concerning companies and affecting the Company.
Company	:	The abovenamed Company by whatever name from time to time called.
Constitution	:	The Constitution of the Company.
CMSA	:	Means the Capital Markets and Services Act 2007.
Central Depositories Act	:	Securities Industry (Central Depositories) Act 1991, as amended from time to time and includes any re-enactment thereof.
Central Depository	:	Bursa Malaysia Depository Sdn Bhd (165570-W).
Depositor(s)	:	A holder of a Securities Account established by the Central Depository.
Deposited Security(ies)	:	A security in the Company standing to the credit of a Securities Account of a security depositor subject to the Central Depositories Act and the Rules.
Directors or the "Board"	:	The Directors for the time being of the Company.
Dividend Reinvestment Scheme	:	Means a scheme which enables shareholders to reinvest cash dividend into shares.
Employee Share Scheme	:	Means a Share Issuance Scheme and/or a Share Grant Scheme.
Jumbo Certificate	:	Has the same meaning as is assigned to that expression under the Central Depositories Act.

Listing Requirements	:	Listing Requirements of Bursa Malaysia Securities Berhad including any amendments thereto that may be made from time to time.
Market Day	:	Means a day on which the stock market of the Stock Exchange is open for trading in securities.
Member(s)	:	Any person for the time being holding Securities in the Company and whose name appears in the Register of Members (except the Central Depository or its nominee company) and subject to this Constitution, any depositor in whose Securities Accounts Securities of the Company stand in credit.
Office	:	The Registered Office for the time being of the Company.
Prescribed Security	:	Has the same meaning as is assigned to that expression under the Central Depositories Act.
Register of Members	:	The register of Members to be kept pursuant to the Act and includes, where appropriate, the Record of Depositors.
Record of Depositors	:	A record provided by the Central Depository to the Company pursuant to an application under the Rules.
Rules	:	The Rules of the Central Depository for the time being in force.
Seal	:	The Common Seal of the Company.
Secretary	:	Any person or persons appointed to perform the duties of the secretary of the Company and subject to the Act, shall include any person or persons appointed by the Directors to perform any of the duties of the secretary.
Securities	:	Has the meaning given in Section 2(1) of the CMSA.
Securities Account	:	Has the same meaning as is assigned to that expression under the Central Depositories Act.
Share Grant Scheme	:	Means a scheme involving the grant of shares to eligible Directors, officers and/or employees.
Share Issuance Scheme	:	Means a scheme involving the allotment and issuance or transfer of shares and/or grant of options over shares to eligible Directors, officers and/or employees.
Stock Exchange	:	Bursa Malaysia Securities Berhad and shall include any other stock exchanges on which the Company's Securities may for the time being be listed.

Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form (and shall include telex, facsimile, telegram or electronic mail).

Words importing the singular number only shall include the plural number and vice versa.

Words importing the masculine gender only shall include the feminine gender.

Words importing persons shall include corporations.

Subject as aforesaid words or expressions contained in this Constitution shall be interpreted in accordance with the provisions of the Interpretation Acts 1948 and 1967 and of the Act as in



force at the date at which this Constitution become binding on the Company.

References to a holder of a share include references to a Depositor in whose Securities Accounts such shares stand in credit.

The headnotes are inserted for convenience only and shall not affect the construction of this Constitution.

## ISSUE OF SHARES

8. **Issue of shares.** Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares shall, before issue, be offered to such persons as at the date of 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 to which they are entitled. The offer shall be made by way of notice specifying the number of shares 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 offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new share which (by reason of the ratio which the new shares bear to shares or securities held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Clause, provided always that:-
- (a) no Director shall participate in an Employee Share Scheme unless shareholders in general meeting have approved the specific allotment to be made to such Director;
  - (b) no shares shall be issued at a discount;
  - (c) notwithstanding the above but subject to the Act and the Listing Requirements, the Company may waive the requirement from convening a general meeting to obtain shareholders' approval for further issue or issues of shares (other than bonus or rights issues) where:-
    - i. the aggregate issues of shares (other than bonus and rights issues and other issues of shares which have been specifically approved by the shareholders in a general meeting) during the preceding twelve (12) months in which such further issue or issues are made do not exceed ten per centum (10%) (or such higher percentage as the Stock Exchange may from time to time allow either in respect of a particular financial year, generally or otherwise) of the Company's issued share capital; and
    - ii. there is in force a resolution of the Company in general meeting authorising the Directors to make such further issue or issues as stated above.
9. **Allotment of shares.** All new issue of shares (which are prescribed securities) for which listing is sought shall be made by way of crediting the Securities Accounts of the allottees or entitled persons held with the Central Depository, save and except where the Company is specifically exempted from complying with Section 38 of the Central Depositories Act. The Company shall notify the Central Depository of the names of the allottees or entitled persons together with all such particulars as may be required by the Central Depository to enable it to make the appropriate entries in the Securities Accounts of such allottees or entitled persons.
10. **Issue of preference shares.** The rights attached to shares issued upon special conditions shall be set out in this Constitution or in the resolution creating the same. In the event of preference shares being issued, preference shareholders will be deemed to have the same rights as ordinary shareholders as regards the receiving of notices, reports and audited financial statements and the attending of general meetings of the Company and preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or proposal to wind up the Company or during the winding up of the Company or sanctioning a sale of the whole of the Company's property, business and undertaking or where the proposal to

be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six (6) months in arrears.

11. **Power to issue shares with special rights.** Without prejudice to any special rights previously conferred on the holder of any shares or class of shares for the time being issued, any shares in the Company 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 Company may from time to time by special resolution determine including the power to issue preference capital ranking equally with or in priority to preference shares already issued and subject to the provisions of the Act, the Company may issue preference shares which are, or at the option of the Company are to be liable to be redeemed on such terms and in such manner as the Company before the issue thereof may by special resolution determine. Subject to Section 91 of the Act, the rights attached to shares in any class of shares shall not (unless otherwise provided by the terms of issue of such shares) be deemed to be varied by the creation or issue of further shares ranking in any respect *pari passu* with the class of shares.
12. **No trust recognised.** No person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or required to recognise any equitable, contingent, future or partial interest in any share or any right whatsoever in respect of any share other than an absolute right to the entirety thereof in the registered holder, except as by this Constitution otherwise expressly provided or as by the Act or the Central Depositories Act or the Rules required or pursuant to any order of Court.
13. **Power of paying commission and brokerage.** The Company may exercise the powers of paying commissions conferred by the Act. The rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act, and such commission shall not exceed ten per centum (10%) of the price at which the shares (in respect of which the commission is paid) are issued. The Company may also on any issue of shares pay such brokerage as may be lawful.
14. **Interest on share capital during construction.** 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 lengthened period, the Company may pay interest on so much of such share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in the Act, and may charge the same to capital as part of the cost of construction of the works, building or plant.
15. **Issue of shares/Certificates.**
  - (1) Subject to the provisions of the Act, the Central Depositories Act and the Rules, the Company shall allot and/or issue Securities (which are prescribed securities) despatch notices of allotment to the allottees and make an application for the quotation of such Securities within such period as may be prescribed by the Stock Exchange. Subject to the provisions of the Act, share certificates (in respect of Securities that are not prescribed securities) shall be despatched within the prescribed period as set by the Stock Exchange, specifying the shares allotted or transferred and the amount paid-up thereon, provided that (in respect of securities that are not prescribed securities) the Company shall not be bound to issue more than one (1) certificate.
  - (2) Subject to the provisions of the Act, the Central Depositories Act and the Rules, if any share certificate shall be defaced, worn out, destroyed or lost, it may be renewed on such evidence being produced and such indemnity (if any) being given as the Directors shall require, and (in case of defacement or wearing out) on delivery up of the old certificate, and in any case on payment of such sum as the Directors may from time to time require provided that the fee shall be subject to the approval of the Stock Exchange. The fee shall be in addition to all expenses including out of pocket expenses incurred in connection with the investigation by the Company of such loss or destruction.
16. **Jumbo certificates.** The Central Depository or its nominee company shall be entitled to receive jumbo certificates in denominations requested by the Central Depository or its nominee company

for shares that are Deposited Securities which shall be issued in accordance with the Central Depositories Act and the Rules. If the Central Depository or its nominee company shall require more than one (1) jumbo certificate in respect of the shares that are the Deposited Securities, it shall pay such fee as the Directors may be permitted to charge by law plus any stamp duty levied by the Government from time to time.

17. **Share certificates.** Every Member shall be entitled, without payment, to receive within two (2) months after allotment or within one (1) month after lodgement of transfer one (1) certificate under the Seal for all shares (that are not Deposited Securities) registered in his name, specifying the shares to which it relates and the amount paid up thereon.

18. **Overseas Branch Register.**

(1) The Company may establish and keep in any place outside Malaysia a branch register of its Members in accordance with Section 53 of the Act.

(2) Subject to the Act and this Constitution, any such register shall be established and kept in such manner as the Directors may from time to time determine.

(3) For the purpose of any branch register, the Directors may empower any officer of the Company or other person or persons or committee ("Local Authority") to keep the register in such manner and subject to such regulations as the Directors may from time to time prescribe or allow, and may delegate to any such Local Authority the duty of examining and passing or refusing transfers and transmissions and approving or refusing to approve transferees of shares and of issuing certificates of shares.

(4) The Local Authority shall from time to time transmit to the Office copies of every entry on any branch register as required by Section 53 of the Act.

19. **Shareholding Information.**

(1) The Company may by written notice require any Member within such reasonable time specified in such notice:-

(a) to inform the Company whether he holds any voting shares in the Company as beneficial owner or as trustee; and

(b) if such Member holds such voting shares as trustee, to indicate so far as he can particulars of the persons for whom he holds such voting shares including (without limitation) such persons' names, addresses and other particulars which are sufficient to enable such persons to be identified and the nature of their interest.

(2) The Company may at any time after it has received information under Clause 19(1) require by written notice any person (whom any Member in reply to the notice referred to in such Clause has disclosed to the Company as having an interest in any voting shares in the Company):-

(a) to inform the Company whether he holds such interest as beneficial owner or as trustee; and

(b) if he holds such interest as trustee, to indicate so far as he can particulars of the persons for whom he holds such interest including (without limitation) such persons' names, addresses and other particulars which are sufficient to enable such persons to be identified and the nature of their interest.

(3) The Company may also by written notice require such persons identified under Clauses 19(1) and 19(2) as persons for whom an interest in a voting share is being held to make the statements and give particulars which the Company is entitled to require such person to give under Clause 19(2).

- (4) The Company may by written notice require a Member to state within such reasonable time specified in such 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, all material particulars of such agreement or arrangement (whether written or oral) and the particulars of all parties to it.

#### LIEN ON SHARES

20. **Company's lien on shares.** The Company's first and paramount lien on all shares and dividends from time to time declared in respect of such shares, shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys 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.
21. **Lien may be enforced by sale of shares.** The Company may sell, in such manner as the Board may decide, any shares on which the Company has a lien provided that a sum in respect of which the lien exists is presently payable and is not paid within fourteen (14) clear days after a written notice has been served on the holder of the shares, demanding payment of such part of the amount in respect of which the lien exists as is presently payable and stating that if the notice is not complied with, the shares may be sold. Subject to the provisions of any written law, for giving effect to the sale, the Board may (in respect of shares which are not prescribed securities) authorise some person to transfer the shares sold to the purchaser and may register the purchaser as the holder of the shares and (in respect of shares which are prescribed securities) to authorise its registrar to cause the Central Depository to credit the Securities Account of the purchaser of the shares sold or otherwise in accordance with the directions of the purchaser. In either case, the transferee shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in reference to the sale.
22. **Application of proceeds of sale.** The net proceeds after payment of costs of the sale by the Company of any shares on which it has a lien shall be applied in or towards payment or discharge of the debtor liability in respect of which the lien exists so far as it is presently payable and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person who was the holder immediately before the sale or his executors, administrators or assignees or as he directs.

#### CALLS ON SHARES

23. **Member not entitled to privileges of membership until all calls paid.** No Member shall be entitled to receive any dividend or to exercise any privileges as a Member until he has paid all calls for the time being due and payable on every share held by him together with interest and expenses, if any.
24. **Directors may make calls.** The Directors may, subject to the provisions of this Constitution, from time to time make such calls upon the Members in respect of all moneys unpaid on their shares as they think fit, provided that fourteen (14) days' notice at least is given of each call and each Member shall be liable to pay the amount of every call so made upon him to the Company, or by the instalments (if any), and at the times and places appointed by the Directors. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.
25. **Interest on unpaid call.** If before or on the day appointed for payment thereof a call or instalment payable in respect of a share is not paid, the person from whom the same is due shall pay interest on the amount of the call or instalment at such rate not exceeding ten per centum (10%) per annum as the Directors shall fix from the day appointed for payment thereof to the time of actual payment, but the Directors may waive payment of such interest wholly or in part.
26. **Sum payable on allotment deemed to be a call.** Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the amount of the share or by way of premium, shall, for all purposes of this Constitution be deemed to be a

call duly made and payable on the date fixed for payment, and in case of non-payment the provisions of this Constitution as to payment of interest and expenses, forfeiture and the like, and all other relevant provisions of this Constitution, shall apply as if such sum were a call duly made and notified as hereby provided.

27. **Difference in calls.** The Directors may, from time to time, make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and in the time of payment of such calls.
28. **Calls may be paid in advance.** The Directors may, if they think fit, receive from any Member willing to advance the same, all or any part of the moneys due upon his shares beyond the sums actually called up thereon and upon the moneys so paid in advance, or so much thereof as exceeds the amount for the time being called up on the shares in respect of which such advance has been made, the Directors may pay or allow such interest as may be agreed between them and such Member, in addition to the dividend payable upon such part of the shares in respect of which advance has been made as is actually called up. Provided that no moneys so advanced shall, whilst carrying interest, confer any rights to participate in profits.

### TRANSFER OF SHARES

29. **Transfer to be left at office and evidence of title given and Directors may refuse registration of transfer.** Subject to the restrictions in this Constitution, shares (that are not Deposited Securities) shall be transferable but every transfer shall be in writing in the usual common form or in such other form as the Directors shall from time to time approve, and shall be left at the Office accompanied by the certificate of the shares to be transferred and such other evidence (if any) as the Directors may reasonably require to show the right of the transferor to make the transfer. The Directors may, in their discretion and without assigning any reason, refuse to register a transfer on any shares (that are not Deposited Securities) on which the Company has a lien. If the Directors refuse to register a transfer, they shall within one (1) month after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal in accordance with the Act.
30. **Execution of transfers.** The instrument of transfer of any shares shall be executed by or on behalf of the transferor, and the transferor shall be deemed to remain the holder of the shares until the name of the transferee is entered in the register of Member in respect thereof. Subject to the applicable laws and regulations, an instrument of transfer must be in respect of only one class of shares.
31. **No transfer to infant, bankrupt or persons of unsound mind.** No shares shall in any circumstances be knowingly transferred to any infant, bankrupt or persons of unsound mind.
32. **Transfer of Shares.**
- (1) The transfer of any listed Securities or class of listed Securities of the Company shall be by way of book entry by the Central Depository in accordance with the Rules, 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 listed Securities.
  - (2) The Central Depository may in its absolute discretion refuse to register any transfer that does not comply with the Central Depositories Act and the Rules.
  - (3) Subject to the Central Depositories Act and the Rules, there shall be no restriction on the transfer of fully paid shares except where required by law.
33. **No liability.** Neither the Company nor its Directors nor any of its officers shall incur any liability for authorising or causing the registration of or for any action upon a transfer apparently made by sufficient parties (in the case of shares that are not Deposited Securities) or for the registration by the Central Depository (in the case of shares that are Deposited Securities) although the same may by reason of any fraud or other cause not known to the Company or the Directors or

other officers be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred.

### TRANSMISSION OF SHARES

34. **Transmission on death.** In the case of the death of a Member, the executors or administrators of the deceased shall be the only person recognised by the Company as having any title to his shares.
35. **Death or bankruptcy of a Member.** 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 Directors 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. Provided always that where the share is a Deposited Security, a transfer or withdrawal of the shares may be carried out by the person so becoming entitled, subject to the Rules. Where the share is a Deposited Security, the person becoming so entitled may elect either to register himself or some person nominated by him as depositor or withdraw the share and register himself or the person so nominated by him as the registered holder of the share in the Register of Members. The Directors shall, in any 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.
36. **Registration of executors and trustees in bankruptcy.**
- (1) If the person so becoming entitled elects to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects provided that where the share is a Deposited Security and the person so becoming entitled elects to have the share transferred to him, the aforesaid notice must be served by him on the Central Depository.
  - (2) If he elects to have another person registered, he shall testify his election by executing to that person a transfer of the share.
  - (3) All the limitations, restrictions, and provisions of this Constitution relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by that Member.
37. **Person entitled to receive and give discharge for dividend.** A person entitled to a share by transmission shall be entitled to receive, and may give a discharge for any dividends or other moneys payable in respect of the share, but he shall not be entitled in respect of it to receive notices of, or to attend or vote at meetings of the Company, or, save as aforesaid, to exercise any of the rights or privileges of a Member, unless and until he shall become a Member in respect of the share. Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety (90) days the Board may thereafter withhold payment of all dividends, or other moneys payable in respect of the share until requirements of the notice have been complied with.
38. **Transmission of Securities from Foreign Register to Malaysian Register.**
- Where:-
- (a) the Securities of the 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 of the Central Depository in respect of such Securities,
- the Company shall, upon 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 the ownership of such Securities.

#### FORFEITURE OF SHARES

39. **Notice to pay calls.** 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 the payment thereof, the Directors may at any time thereafter, during such time as the call or instalment or any part thereof remains unpaid, serve a notice on him or on the person entitled to the share by transmission requiring him to pay such call or instalments, or such part thereof as remains unpaid, together with interest at such rate not exceeding ten per centum (10%) per annum as the Directors shall determine, any expenses that may have accrued by reason of such non-payment.
40. **Length of notice.** The notice shall name a further day (not earlier fourteen (14) days from the date of the notice) on or before which such call or instalment or such part as aforesaid, and all interest and expenses that have accrued by reason of such non-payment, are to be paid. It shall also name the place where payment is to be made, and shall state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made will be liable to be forfeited.
41. **Failure to comply with notice.** If the requisitions of any such notice aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by the Directors to that effect. A forfeiture of shares shall include all dividends in respect of the shares not actually paid before the forfeiture, notwithstanding that they shall have been declared.
42. **Notice of forfeiture.** When any share has been forfeited in accordance with this Constitution, notice of the forfeiture shall forthwith be given to the holder of the share or to the person given and entered in register entitled to the share by transmission, as the case may be, and an entry of such notice of Members having been given, and of the forfeiture with the date thereof, shall forthwith be made in the Register of Members opposite to the share; but the provisions of this Clause are directory only, and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
43. **Annulment of forfeiture.** 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.
44. **Sale of forfeited share.** Until the forfeiture is cancelled in accordance with the requirements of the Act, a forfeited share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of to the person who was before forfeiture the holder or to any other person upon such terms and in such manner as the Board shall decide. The Company may receive the consideration (if any) given for the share on its disposal and subject to the provisions of any written law, the Board may for the purposes of the disposal (in the case of shares that are not Deposited Securities) authorise some person to transfer the shares sold to the purchaser thereof or (in the case of shares that are Deposited Securities) authorise its registrar to cause the Central Depository to credit the Securities Account of the designated transferee accordingly as the holder of the share. At any time before a sale, re-allotment or disposition, the forfeiture may be cancelled by the Board on such terms as the Board may decide. If any share is forfeited and sold, any residue 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.
45. **Liability to Company of person whose shares are forfeited.** A person whose shares have been forfeited shall cease to be a Member in respect of them but shall remain liable to pay to the Company all moneys which at the date of the forfeiture were payable by him to the Company in respect of those shares with interest thereon at such rate as the Directors may decide from the

date of forfeiture until payment and the Company may enforce payment without being under any obligation to make any allowance for the value of the shares forfeited or for any consideration received on their disposal.

46. **Result of forfeiture.** The forfeiture of a share shall involve the extinction at the time of forfeiture 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.
47. **Evidence of forfeiture by the Company.** A statutory declaration in writing that the declarant is a Director of the Company, and that a share has been duly forfeited in pursuance of this Constitution, and stating the date upon which it was forfeited, shall, as against all persons claiming to be entitled to the share thereof be conclusive evidence of the facts therein stated, 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, and a certificate of proprietorship of the share under the Seal delivered to the person to whom the same is sold or disposed of shall constitute a good title to the share, and (subject to the execution of any necessary transfer) 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 shall not be bound to see to the application of the purchase money (if any), nor shall his 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.

#### **SHARE BUY-BACK**

48. **Share Buy-Back.** Subject to the provisions of the Act, the Listing Requirements and/or any other relevant authorities, the Company shall have the power by resolution of a general meeting to acquire by purchase in good faith and in the best interest of the Company, the Company's own shares or Securities through the Stock Exchange on which the shares are quoted, provided always that the Company is solvent at the date of purchase of the shares or Securities and subject to dealing with such shares or Securities as may be permitted by the Act and any applicable laws, rules or regulations.

#### **ALTERATION OF CAPITAL**

49. **Power to consolidate, cancel, divide and reduce share capital.**

The Company may by special resolution:-

- (a) consolidate and divide its share capital into shares, or
- (b) cancel any shares not taken or agreed to be taken by any person, or
- (c) divide its share capital by subdivision of its existing shares or any of them, subject nevertheless to the provisions of the Act and so that as between the resulting shares, one or more of such shares may by the resolution wherein such subdivision is effected be given any preference or advantage as regards dividend, capital, voting or otherwise over the others or any other of such shares; or
- (d) reduce its capital in any manner authorised and subject to any conditions prescribed by the Act.

Subject to any direction by the Company in general meeting, if any consolidation and/or subdivision of shares results in Members being entitled to any issued shares of the Company in fractions, the Directors may deal with such fractions as they may determine including (without limitation), selling the shares to which Members are so entitled for such price as the Directors may determine and paying and distributing to the Members entitled to such shares in due proportions the net proceeds of such sale.



## CONVERSION OF SHARES INTO STOCK

50. **Conversion to be approved at general meeting.** The Company may, from time to time, by resolution of a general meeting, convert all or any of its paid-up shares into stock and may from time to time, in like manner, reconvert such stock into paid-up shares of any number. If and whenever any unissued shares of any class in the capital of the Company for the time being shall have been issued and be fully paid and at that time the shares of that class previously issued stand converted into stock such further shares upon being fully paid and ranking pari passu in all respects with the shares representing such stock shall ipso facto be converted into stock transferable in the same units as the existing stock of that class.
51. **Transfer of stock.** When any shares have been converted into stock, the several holders of such stock may transfer their respective interests therein, or any part of such interest, in such manner as the Company in general meeting shall direct, but in default of any such direction in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances will admit. But the Directors, may, if they think fit, from time to time fix the minimum amount of stock transferable.
52. **Participation of stockholders in dividend.** The several holders of stock shall be entitled to participate in the dividends and profits of the Company according to the amount of their respective interests in such stock, and such interests shall, in proportion to the amount thereof, confer on the holders thereof respectively the same privileges and advantages for the purpose of voting at meetings of the Company and for other purposes as if they held the shares from which the stock arose, but so that none of such privileges or advantages, except the participation in the dividends, profits and assets of the Company on a winding up, shall be conferred by any such part of stock as would not, if existing in shares, have conferred such privilege or advantage.
53. **Definition.** All such provisions of this Constitution as are applicable to paid-up shares shall apply to stock, and in all such provisions the words "share" and "shareholder" shall include "stock" and "stockholder" respectively.

## PREFERENCES SHARES

54. **Redeemable Preference Shares.** Subject to the Act and this Constitution, any preference shares may with the sanction of a resolution in general meeting be issued on terms that are, or at the option of the Company liable to be redeemed on such terms and in such manner as may be provided for by this Constitution as the Board may think fit.
55. **Right to issue further Preference Capital.** If the Company at any time issues preference capital, it shall indicate at the same time whether it reserves the right to issue further preference capital ranking equally with or in priority to preference shares already issued.
56. **Rights of Preference Shares.** Preference shareholders shall have the same rights as ordinary shareholders as regards receiving notices, reports and audited financial statements and attending general meetings of the Company and the right to vote at any meeting convened for the purposes of reducing the capital, or to wind up the Company and during the winding up of the Company, or disposing the whole of the Company's property, business and undertaking or directly affecting the rights and privileges attached to the preference shares or when the dividend or part of the dividend on the preference shares is in arrears for more than six (6) months.
57. **Repayment of Preference Capital.** The repayment of preference capital other than redeemable preference capital or any alteration of preference shareholders' rights may only be made pursuant to a special resolution of the preference shareholders concerned provided always that where the necessary majority for such special resolution is not obtained at the meeting, consent in writing if obtained from the holders of three-fourths (3/4) of the preference capital concerned within two (2) months of the meeting, shall be valid and effectual as a special resolution carried at the meeting.

## MODIFICATION OF CLASS RIGHTS

58. **Modification of class rights.** Subject to the provisions of the Act, all or any of the rights, privileges or conditions for the time being attached or belonging to any class of shares for the time forming part of the capital of the Company may from time to time be modified, affected, varied, extended or surrendered in any manner with the consent in writing of the holders of not less than three-fourths (3/4) of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the Members of that class. To any such separate meeting all the provisions of this Constitution as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be Members of the class holding or representing by proxy one-third (1/3) of the capital paid or credited as paid on the issued shares of that class, and every holder of shares of the class in question shall be entitled on a poll to one (1) vote for every such share held by him.

## MEETINGS

59. **General meetings.** A general meeting shall be held in accordance with the Act and at least once in every calendar year, at such time and place as may be determined by the Directors, but not more than fifteen (15) months shall be allowed to elapse between any two (2) such general meetings.
60. **Extraordinary general meeting.** The above-mentioned general meetings shall be called ordinary or annual general meetings. All other general meetings shall be called extraordinary general meeting.
61. **Directors may call an extraordinary general meeting.** The Directors may call an extraordinary general meeting whenever they think fit, and extraordinary general meetings shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by the Act. In the case of an extraordinary general meeting called in pursuance of a requisition, no business other than that stated in the requisition as the objects of the meeting shall be transacted.
62. **Notice of general meeting.**
- (1) Subject to the provisions of the Act relating to the convening of meeting to pass special resolutions and agreements for shorter notice, 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 annual general meeting, of every such meeting shall 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) A general meeting may be convened at more than one venue using any technology or method that enables the Members of the Company to participate, speak and vote at the meeting. The main venue of the meeting however shall be in Malaysia and the Chairman of the meeting shall be present at the main venue of the meeting.
  - (3) Entitlement to receive notices of a general meeting and to vote thereat shall be based on the Record of Depositors as at the dates specified by the Company in accordance with the provisions of the Central Depositories Act and the Rules.
  - (4) The Company shall request the Central Depository in accordance with the Rules to issue a Record of Depositors to whom notices of general meetings shall be given by the Company.

- (5) The Company shall also request the Central 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").
- (6) Subject to applicable laws and regulations, 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.

63. **Rights of Member at general meeting.**

- (1) Subject to Clause 64, a Member of the Company shall be entitled to be present and vote at any general meeting in respect of any share upon which all calls due to the Company have been paid.
- (2) Subject to any rights or restrictions for the time being attaching to any class or classes of shares, at meetings of Members or of classes of Members, each Member entitled to vote may vote in person or by proxy or by attorney and on a show of hands, every person who is a Member (being a holder of ordinary shares or preference shares who is personally present and entitled to vote) or a representative of a Member shall have one (1) vote and on a poll, every Member present in person or by proxy or by attorney or other duly authorised representative shall have one (1) vote for every share held.
- (3) A proxy shall be entitled to vote on a show of hands on any question at any general meeting and shall have the same right as the Member to speak at the said meeting.
- (4) A Member shall not be entitled to appoint more than two (2) proxies to attend and vote at the same meeting and where a Member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. Where a Member of the Company is an authorised nominee as defined in accordance with the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) 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.

Where an authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.

64. **Objection to qualification of voter.** No objection shall be raised as 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.

65. **Form of proxy and how instrument to be executed.** Every instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if such appointor is a corporation, under its common seal or under the hand of some officer of the corporation duly authorised in that behalf. In the case of a corporation that does not have a seal it must be signed by any two (2) directors or a director and the secretary of the corporation and in the case of a single director corporation, under the hand of the single director and the secretary of the corporation. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the fact. Instruments of proxy shall be in any common form or in such other form as the Board may approve.

66. **Rights of proxy holder.** An instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand or concur in demanding a poll on behalf of the appointor. A proxy or attorney need not be a Member of the Company and a Member may appoint any person to be his proxy or attorney. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
67. **Instrument of proxy to be left at the Office.** The instrument appointing a proxy, together with the power of attorney (if any) under which it is signed or notarially certified copy thereof, shall be deposited at the Office at least forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the persons named in such instrument proposes to vote; otherwise the person so named shall not be entitled to vote in respect thereof. In the case of a meeting or adjourned meeting where the chairman of a meeting has decided to hold a poll at a later time/date, the instrument of proxy shall be deposited at the Office not less than twenty-four (24) hours before the time appointed for the taking of the poll fixed by the chairman and in default the instrument of proxy shall not be treated as valid. When two (2) or more valid but differing appointments of proxy are received in respect of the same share for use at the same meeting or poll, the one which is last received (regardless of its date or of the date of its execution or submission) shall be treated as replacing and revoking the other as regards that share. If the Company is unable to determine which appointment was last received, none of them shall be treated as valid in respect of that share.

A Member is not precluded from attending the meeting in person after lodging the instrument of proxy. However, such attendance shall automatically revoke the authority granted to the proxy.

68. **Validity of instruments of proxy.** No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date.
69. **Instruments of proxy.**
- (1) The Board shall at the expense of the Company send with all notices convening general meetings or separate meetings of the holders of any class of shares to the Members entitled to vote thereat instruments of proxy (with or without prepaid postage) with provision for two-way voting on all resolutions intended to be proposed other than resolutions which are merely procedural.
  - (2) Such instruments of proxy shall be issued to all the Members entitled to be sent a notice of the meeting and to vote thereat by proxy.
  - (3) The accidental omission to send out an instrument of proxy, whenever necessary, to any Member or the non-receipt of such instrument by any Member, shall not invalidate any resolution passed or proceedings at the meeting to which the instrument of proxy relates.
70. **Instrument of proxy valid until revoked.** A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or revocation of the instrument of proxy, or of the authority under which the instrument of proxy was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used.
71. **Corporate representatives.** Any corporation, whether a company within the meaning of the Act or not, which is Member of the Company may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company, provided that:-
- (a) If the corporation authorises more than one person as its representative, every one of the representatives is entitled to exercise the same powers on behalf of the corporation as the

corporation could exercise as if every one of the representatives was an individual Member of the Company.

- (b) If the corporation authorises more than one person and more than one of the representatives purport to exercise the power under subsection (1):-
- i. if the representatives purport to exercise the power in the same way, the power is treated as exercised in that way.
  - ii. if the representatives do not purport to exercise the power in the same way, the power is treated as not exercised.
72. **Special business.** All business shall be deemed special that is transacted at an extraordinary general meeting, and all that is transacted at an ordinary general meeting shall also be deemed special, with the exception of sanctioning a dividend, the laying of the audited financial statements and the reports of the Directors and Auditors, and any other documents annexed thereto, the election of Directors in the place of those retiring by rotation, and the appointment and fixing of the remuneration of the Auditors.
73. **Quorum.** No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. For all purposes the quorum shall be Members personally present or represented by proxy or the duly appointed authorised representative of a corporate Member not being less than three (3). For the purpose of constituting a quorum one (1) or more representatives appointed by a corporation shall be counted as one (1) Member or where one (1) or more proxies are appointed by a person they shall be counted as one (1) Member.
74. **Adjournment.** If within half (1/2) an hour from the time appointed for the holding of a general meeting a quorum is not present, the general meeting if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, and if at such adjourned meeting a quorum is not present within half (1/2) an hour from the time appointed for holding the meeting, the Members present shall be a quorum.
75. **Chairman.** The Chairman (if any) of the Board of Directors shall preside at every general meeting, but if there be no such Chairman, or if at any meeting the Chairman is not present within fifteen (15) minutes after the time appointed for holding the same, or shall be unwilling to act as Chairman, the Members present shall choose a Director present at the meeting as Chairman, or if no Director be present, or if all the Directors present decline to take the chair, they shall choose some Member present, to be Chairman of the meeting. The Chairman may, for the purpose of promoting the orderly conduct of the business of a general meeting, take any action he thinks fit and the Chairman's decision on matters of procedure (including ordering the expulsion or exclusion of any Member or other person who, by his presence or conduct, the Chairman considers to be an impediment to the orderly conduct of the business of the meeting).
76. **Adjournment with consent of meeting.** The Chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for thirty (30) days or more, seven (7) days' notice of the adjourned meeting shall be given in the same manner as in the case of an original meeting. Save as aforesaid, no Member shall be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.
77. **How questions to be decided at general meeting.**
- (1) At all general meetings, resolutions put to the vote of the meeting shall be decided on a show of hands, unless:-

- (a) voting by poll is required by the Listing Requirements or other applicable laws, rules and regulations; or
  - (b) a poll is (before or upon the declaration of the result of the show of hands) demanded in writing by the Chairman or by at least three Members personally present or by proxy or by representative and entitled to vote at the meeting, holding or representing by proxy or by representative at least one-tenths (1/10) of the total voting rights represented at the meeting, and unless a poll be so demanded, a declaration by the Chairman of the meeting that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, shall be conclusive, and an entry to that effect in the minute book of the Company shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- (2) In case of any dispute as to the admission or rejection of a vote the Chairman shall determine the same and such determination made in good faith shall be final and conclusive.
78. **How poll taken.** If a poll be demanded in the manner aforesaid, it shall be taken at such time and place, and in such manner, as the Chairman shall direct (including, without limitation, the use of ballot or voting papers or tickets), and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman may appoint scrutineers for the purpose of a poll.
79. **No poll in certain cases.** No poll shall be demanded on the election of Chairman of a meeting, or on any question of adjournment.
80. **Casting vote.** In the case of an equality of votes, either on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a further or casting vote.
81. **Business to be continued if poll demanded.** The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business, other than the question of which a poll has been demanded.

## **DIRECTORS**

82. **First Directors.** The first Directors of the Company were **SAMSUL BAHARI BIN OTHMAN** and **KHOO SIOW LING**.
83. **Number of Directors.** Until and unless otherwise determined by the Company at a general meeting, the number of Directors shall be not less than two (2) and not more than eleven (11). There shall be no share qualification for Directors.
84. **Appointment of additional Director.** The Directors shall have power at any time, and from time to time, to appoint any person to be 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 number fixed in accordance with this Constitution.
85. **Resolution in writing.** A resolution in writing signed by at least seventy-five per centum (75%) of the Directors of the Company for the time being or their alternates, shall be as valid and effectual as if it had been passed by a meeting of Directors duly called and constituted, provided that the notice of such resolution in writing has been given to all the Directors for the time being of the Company. Any such resolution may consist of several documents in writing or by telex, telegram, cable, facsimile, electronic mail or other electronic communication or digital written message, in like form, each signed by one or more Directors.
86. **Appointment and re-election of Director.** Where provision is made for the Directors to appoint a person as a Director either to fill a casual vacancy, or as an addition to the Board, any Director so appointed shall hold office only until the next annual general meeting of the Company, and shall then be eligible for re-election.

87. **Vacancies in Board.** The remaining 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 the Constitution of the Company, the remaining 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.
88. **Rotation and retirement of Directors.** 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. A retiring Director shall retain office until the close of the meeting at which he retires. Notwithstanding any provision to the contrary contained in this Constitution, an election of the Directors of the Company shall take place every year and all the Directors (including the Director holding the office of managing director) shall retire from office once at least in every three (3) years but shall be eligible for re-election.
89. **Selection of Directors to retire.** Subject to the Act, the Directors to retire by rotation shall be those who have been longest in office since their last appointment or re-appointment, but as between persons who became or were last re-appointed Directors on the same day, those to retire shall (unless they otherwise agree amongst themselves) be determined by lot. A retiring Director shall be eligible for re-election.
90. **Re-appointment if vacancy.** If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy, the retiring Director, shall, if willing to act, be deemed to have been re-appointed unless at the meeting, it is resolved not to fill the vacancy or unless a resolution for the re-appointment of the Director is put to the meeting and lost.
91. **Notice of candidate for election as Director.** No person other than a Director retiring, 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 day appointed for the general meeting, left at the Office a notice in writing 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 candidate for election to the Board shall be served on all Members at least seven (7) days prior to the meeting at which the election is to take place.
92. **Directors' fees and benefits.**
- (1) The amount of fees and benefits payable to the Directors shall from time to time be determined by the Company in general meeting which includes but is not limited to fees payable to the Directors for the current financial period and/or any other subsequent period. Fees payable to Directors may not include a commission or percentage of turnover. The Directors shall also be paid such travelling, hotel and other expenses as may reasonably be incurred by them in the execution of their duties including any such expenses incurred in connection with their attendance at meeting of Directors. Notwithstanding the foregoing, the time and manner as to payment of the fees and expenses due to Directors shall be determined by and at the discretion of the Directors. If by arrangement with the other Directors, any Director shall perform or render any special duties or service outside his ordinary duties as a Director, the Directors may pay him special remuneration, in addition to his fees, as may be arranged. The fees payable to non-executive Directors shall be by way of a fixed sum and not by a commission on or percentage of profits or turnover.
  - (2) Subject to the Act, the Directors may:-
    - (a) procure the establishment and maintenance of or participation in or contribution to any non-contributory or contributory pension or superannuation fund, scheme or arrangement or life assurance scheme or arrangement for the benefit of; or

- (b) pay, provide for or procure the grant of donations, gratuities, pensions, allowances, bonuses, loans, credit, benefits or emoluments to; or
  - (c) procure the establishment and subsidy of or subscription and support to any institutions, associations, clubs, funds or trusts calculated to advance the interests and well-being of or for the benefit of; or
  - (d) pay for or towards the insurance of any Directors (whether or not he holds or has held any executive office or employment with the Company), officers and employees and former Directors, officers and employees of:-
    - i. the Company; or
    - ii. any body corporate which is or has been a subsidiary of the Company, and any member of his family (including, a spouse, his child and parents) or any person who is or was dependent on him.
- (3) (a) The Directors may establish, maintain and give effect to any scheme approved by the Company in general meeting for the allotment of or the grant of options to subscribe for shares of the Company to any Directors, officers or employees of:-
- i. the Company; or
  - ii. any body corporate which is or has been a subsidiary of the Company, and may exercise all the powers given to them by such scheme (including (without limitation) any power to alter or add to the provisions of such scheme) and this Constitution shall be deemed to be modified as far as may be necessary to give effect to such scheme for the time being in force in respect of any share or shares for the time being in issue or under option subject to such scheme.
- (b) The Directors may establish, maintain and give effect to the Share Grant Scheme approved by the Company in general meeting for the grant of options to subscribe for shares of the Company to any employees of:-
- i. the Company; or
  - ii. any body corporate which is or has been a subsidiary of the Company, and may exercise all the powers given to them by the Share Grant Scheme (including (without limitation) any power to alter or add to the provisions of such scheme) and this Constitution shall be deemed to be modified as far as may be necessary to give effect to such scheme for the time being in force in respect of any share or shares for the time being in issue or under option subject to such scheme.
93. **Office of Director vacated in certain cases.** The office of Director shall become vacant if the Director:-
- (a) ceases to be a Director by virtue of the Act or becomes prohibited by law within or outside Malaysia from being a Director or has been disqualified by the Court under Section 199 of the Act;
  - (b) becomes bankrupt or makes any arrangement or composition with his creditors generally;
  - (c) becomes prohibited from being a Director by reason of any order made under the Act or convicted of offences under Sections 213, 217, 218, 228 or 539 of the Act or is prohibited from being a Director under the Listing Requirements;



- (d) 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;
- (e) resigns his office by notice in writing to the Company or has retired in accordance with the Act or the Constitution and is not re-elected or re-appointed;
- (f) is absent from more than fifty per centum (50%) of the meetings of the Directors held during a financial year unless an exemption or waiver is obtained from the Stock Exchange; or
- (g) is convicted by a court of law, whether within Malaysia or elsewhere, in relation to the offences set out in Clause 94 below.

94. **No appointment of Director in certain cases.** No person shall be appointed or is allowed to act as a Director or be involved whether directly or indirectly in the management of the Company, including acting in an advisory capacity in relation to the Company, if he:-

- (a) has been convicted by a court of law, whether within Malaysia or elsewhere, of any offence in connection with the promotion, formation or management of a company;
- (b) has been convicted by a court of law, whether within Malaysia or elsewhere, of an offence, involving fraud or dishonesty or where the conviction involved a finding that he acted fraudulently or dishonestly; or
- (c) has been convicted by a court of law of an offence under the Securities laws or the Act,

within a period of five (5) years from the date of conviction or if sentenced to imprisonment, from the date of release from prison, as the case may be.

For the purposes of this Clause, "Securities laws" means the CMSA, the Central Depositories Act and the Securities Commission Act 1993.

95. **Restriction on voting.** A Director shall not vote in respect of any contract, proposed contract, arrangement or transaction in which he has, directly and indirectly, an interest or any matter arising therefrom and if he does so vote, his vote shall not be counted but this prohibition shall not apply to:-

- (a) any arrangement for giving to him any security or indemnity in respect of money lent by him or obligations undertaken by him for the benefit of the Company; or
- (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 he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of a security; or
- (c) any contract or arrangement with any other company in which he is interested only as a Director or other officer or creditor of or as a shareholder in or beneficially interested in the shares of that company; or
- (d) any act or thing done or to be done in respect of any scheme or arrangement to provide retirement or death benefits both for Directors (including ex-Directors) and employees (including ex-employees) or any class of employees or ex-employees of the Company and which has been approved by or is subject to and conditional upon approval by the relevant authority for taxation purposes; or
- (e) any matter connected with any share incentive or share option scheme other than the allocation to him of any share or the grant to him of any option over any share or any other matter concerning his individual participation in any such scheme.

The provisions of this Clause may at any time be suspended or relaxed to any extent and either generally or in respect of any particular contract, arrangement or transaction, and any particular

contract, arrangement or transaction carried out in contravention of this Clause may be ratified by ordinary resolution of the Company.

96. **Declaration of interest.** No Director or intending Director shall be disqualified by reason of his office from contracting with the Company or any company in which the Company is a shareholder or in which the Company otherwise has an interest either with regard to his tenure of any such office or place of profit or as vendor, purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company or any other company as aforesaid 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 realized by any such contract arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but the nature of his interest shall be declared by him at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration if his interest then exists or in any other case at the first meeting of the Directors after he becomes so interested.
97. **Chairman's ruling on the materiality of a Director's interest.** If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the Chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned as known to such Director have not been fairly disclosed.
98. **Directors may act in a professional capacity.** Any Director may himself or by his firm act in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director. Provided that nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.
99. **Adjournment of meeting.** The Directors may meet and adjourn as they think proper. Questions arising at any meeting shall be determined by a majority of votes of the Directors present and in the case of an equality of votes, the Chairman shall have a second or casting vote provided always that where two (2) Directors form a quorum, the Chairman of a meeting at which only such quorum is present or at which only two (2) Directors are competent to vote on the question in issue, the Chairman shall not have a casting vote.
100. **Director may call meeting of Directors.** A Director may, and on the request of a Director the secretary shall, at any time summon a meeting of the Directors.
101. **Quorum of meeting.** The quorum necessary for the transaction of the business at a meeting of the Directors shall be two (2) Directors of the Company and a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the powers, authorities and discretions by or under this Constitution vested in or exercisable by the Directors generally. If a quorum is not present within half (1/2) an hour from the time appointed for the holding of the meeting, the meeting stands adjourned to the next Market Day at the same place and time and if at the adjourned meeting, a quorum is not present within half (1/2) an hour from the time appointed for the adjourned meeting, the meeting shall proceed without the required quorum and any resolutions passed at the said adjourned meeting shall be deemed passed by the Directors.
102. **Chairman of the Board.** The Directors may from time to time elect a Chairman, who shall preside at meetings of the Directors, 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 same, the Directors present shall choose one of their number present to be Chairman of such meeting.
103. **Directors may delegate their powers.** The Directors may delegate any of their powers to committees consisting of such member(s) of their body and/or such other persons as the Directors think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors.

104. **Chairman of committees.** A committee may elect a Chairman for 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 same, the members present may choose one of their number present to be Chairman of the meeting.
105. **Meetings of committees.** A committee may meet and adjourn as its members think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairman shall have a second or casting vote.
106. **All act done bona fide by Directors to be valid.** All acts bona fide done at any meeting of Directors, or of a Committee or by any person acting as a Director, shall, notwithstanding it be 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.
107. **Minutes of general meeting.** The Directors shall cause proper minutes to be made of all general meetings of the Company and also of all appointments of officers, and of the proceedings of all meetings of Directors and Committees, and of the attendance thereat, and all business transacted at such meetings; and any such minute of any meeting, if signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be conclusive evidence without any further proof of the facts therein stated.
108. **Authentication of documents.** Any Director or the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolution passed by the Company or the Board or any Committee of the Board 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; and where any books, records, documents or accounts are elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be the person appointed by the Board as aforesaid.
109. **Method of Board of Directors' meeting.** All or any of the members of the Board or any committee of the Board may participate in a meeting of the Board or of that committee by means of a telephone or video conference or any communication equipment which allows all persons participating in the meeting to communicate with each other simultaneously and instantaneously. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or if there is no such group, where the Chairman of the meeting is located.
110. **Alternate Director.** A Director may appoint a person approved by a majority of his co-directors to act as his alternate, provided that:-
- (a) the person so appointed is not currently a Director of the Company;
  - (b) the person so appointed is not currently an alternate Director to another Director on the Board (no alternate Director may act for more than one Director on the Board); and
  - (c) any fee paid by the Company to the alternate shall be deducted from that Director's remuneration.

and may at any time remove the alternate Director so appointed by him from office.

An alternate Director so appointed shall be entitled (subject to his giving to the Company an address at which notices may be served on him) to receive notices of all meetings of the Board of Directors, and to attend and vote as a Director at any such meeting at which the Director appointor to perform all the functions and to exercise all the powers, duties and authorities of his appointor as a Director. An alternate Director may be removed from office by resolution of the Board and shall ipso facto and immediately cease to be an alternate Director if his appointor ceases for any reason to be Director. All appointments and removals of the alternate directors

made by any Director in pursuance of the provisions of this Clause shall be in writing under the hand of the Director making the same and left at the Office. The nomination of an alternate Director shall be valid if made by cable, telegram or electronic mail, provided that such nomination shall be confirmed within two (2) weeks from the date of such cable, telegram or electronic mail by a written nomination complying with the above mentioned requirements, and any act done by the alternate Director nominated between the date thereof and the date of the receipt within the prescribed period by the Company of the written nomination shall be as valid and effectual as if such alternate Director had been duly appointed in the first instance, whether such written nomination shall be received by the Company within the prescribed period or not. Every person acting as an alternate for a Director shall be an officer of the Company and shall be responsible to the Company for his own acts and defaults, and shall not be deemed to be the agent of or for the Director appointing him.

111. **Managing Director.**

- (1) The Directors may from time to time appoint one (1) or more of their body to the office of managing director for such period and on such terms as they think fit and subject to the terms of any agreement entered into in any particular case, may revoke such appointment provided always that a managing director shall be subject to the control of the Board. The office of the managing director shall cease upon his cessation as a Director of the Company or the cessation of the managing director's executive functions.
- (2) The managing director shall, subject to the terms of any agreement entered into with the Company, receive such remuneration (whether by way of salary, commission, or participation in profits, or partly in one way and partly in another but not by way of a commission on or percentage of turnover) as the Directors may determine.

112. **Power to borrow.** 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 any third party.

113. **General power of Directors to manage company's business.** The business of the Company shall be managed by the Directors, who may pay all such expenses of and preliminary and incidental to the promotion, formation, establishment and registration of the Company as they think fit, and may exercise all such powers of the Company, and do on behalf of the Company all such acts as may be exercised and done by the Company, and as are not by the Act or by this Constitution required to be exercised or done by the Company in general meeting, subject nevertheless to this Constitution, to the provisions of the Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions 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. The Directors may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the Directors, to be attorney or 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 powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney to delegate all or any of the powers authorities and discretions vested in him. The Directors shall not, save with the consent of the Company in general meeting, dispose of a substantial portion of the Company's main undertaking or property.

114. **Power conferred by the Act.** The Company may exercise the powers conferred by the Act with regard to having an official Seal for use abroad, and such powers shall be vested in the Directors.

115. **Power to establish pension or superannuation fund.** The Directors may procure the establishment and maintenance of or participate in or contribute to any non-contributory or contributory pension or superannuation fund or life assurance scheme for the benefit of, and pay,

provide for or procure the grant of donations, gratuities, pensions, allowances, benefits or emoluments to any persons (including Directors and other officers) who are or shall have been at any time in the employment or service of the Company or of any company which is a subsidiary of the Company or of the predecessors in business of the Company or of any such subsidiary company, or the wives, widows, families or dependants of any such persons. The Directors may also procure the establishment and subsidy of or subscription and support to any institutions, associations, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid or otherwise to advance the interests and well-being of the Company or any such other company as aforesaid or of its members and payment for or towards the insurance of any such persons as aforesaid, and subscriptions or guarantees of money for charitable or benevolent objects or for any exhibition or for any public, general or useful object.

116. **Signing of Cheques etc.** All cheques, promissory notes, drafts, bills of exchange and other instruments (whether negotiable, transferable or not) and all receipts for money paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed in such manner as the Directors may from time to time by resolution determine.

### SECRETARY

117. **First Secretary.** The first Secretary of the Company was **LIM HOOI MOOI (MAICSA 0799764)**. The secretary shall be appointed by the Directors, for such period and on such terms as to remuneration and otherwise as they think fit, and any secretary so appointed may (subject to the terms of any contract between him and the Company) be removed by the Directors from office.
118. **Resignation of Secretary.** The office of the Secretary shall be vacated if the Secretary resigns by giving a thirty-day notice in writing to the Company, left at the Office and copies lodged with the Directors for the time being at their last known service address.
119. **Temporary secretary etc.** The Directors shall have power at any time or times to appoint any person to be temporary, substitute, assistant or deputy secretary, either generally or for some specified purposes.
120. **Power of assistant secretary.** Anything required or authorised by the Act to be done by or to the secretary may, if the office is vacant or there is for any other reason no secretary capable of acting, to be done by or to any assistant or deputy secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Board. Provided that any provision of this Constitution or the Act requiring or authorising a thing to be done by or to a Director and the secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the secretary.

### SEAL

121. **Seal to be affixed by authority of resolution of Board.** Subject as provided in Clause 17 with respect to certificates, the Seal shall not be affixed to any instrument except by authority of a resolution of the Board of Directors and in the presence of at least one (1) Director and of the Secretary or one other Director or such other person as the Directors may appoint for the purpose and such Director and the Secretary or other person as aforesaid shall sign every instrument to which the Seal shall be affixed in their presence, and in favour of any person bona fide dealing with the Company such signatures shall be conclusive evidence of the fact that the Seal has been properly affixed. The Company may exercise the powers conferred by the Act with regard to having an official Seal for use abroad and such powers shall be vested in the Directors.
122. **Share Seal.** The Company may have a duplicate Seal marked "SHARE SEAL" which is for the sole and specific use on the Company's share certificates. Such Share Seal shall not be affixed onto any share certificates except by a resolution of the Directors previously or of a committee of the Directors authorised by the Directors on that behalf, and every instrument to which such Share Seal is affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose. Such Director and Secretary or second Director or other person as aforesaid shall either

physically sign or cause a facsimile of their signatures to appear on every share certificate to which the Share Seal has been affixed.

#### **DIVIDENDS AND RESERVE FUND**

123. **Payment of dividends.** Subject to the Act and any preferential or other special rights for the time being attached to any special class of shares, the profits of the Company which it shall from time to time determine to distribute by way of dividend shall be applied in payment of dividends upon the shares of the Company in respect of which the dividend is paid in proportion to the amounts paid up or credited as paid up thereon respectively, otherwise than in advance of calls but no dividend shall exceed the amount recommended by the Directors.
124. **Deductions.** The Directors may deduct from any dividend payable to a Member all sums of money (if any) or any part thereof presently payable by him to the Company on account of calls or otherwise in relation to shares in the Company.
125. **Declaration of dividends.**
- (1) Any general meeting declaring a dividend may, by resolution, direct payment of the dividend wholly or partly by the distribution of specific assets, including paid up shares in, or debentures of, any other corporation, and the Directors shall give effect to such a resolution.
  - (2) Where a difficulty arises in regard to such a distribution, the Directors may settle the matter as they consider expedient and fix the value for distribution of the specific assets or any part of those assets and may determine that cash payments will be made to any Members on the basis of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as the Directors consider expedient.
126. **Interim dividends.** The Directors may from time to time pay to the Members such interim dividends as appear to the Directors to be justified by the profits of the Company.
127. **Reserve fund.** The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve fund or reserve funds, which shall at the discretion of the Directors be applicable for the meeting of contingencies, or for repairing or maintaining any works connected with the business of the Company, or for equalising dividends, or shall, with the sanction of the Company in general meeting be, as to the whole or in part, applicable for distribution by way of special dividend or bonus, or may be applied for such other purposes for which the profits of the Company may lawfully be applied as the Directors may think expedient in the interest of the Company, and pending such application the Directors may employ the sums from time to time so set apart as aforesaid in the business of the Company or invest the same in such securities, other than the shares of the Company, as they may think fit. The Directors may also from time to time carry forward such profit remaining as they deem expedient in the interest of the Company not to distribute as dividends without transferring these profits to a reserve.
128. **Capital reserve.** The Directors may establish a reserve to be called either "capital reserve" or "realisation account" or such other name as the Directors deem appropriate and shall either carry to the credit of such reserve from time to time all moneys realised on the sale of any investments held by the Company in excess of the then book price of the same or apply the same in providing for depreciation or contingencies. Such reserve and all other moneys in the nature of accretion to capital, whether on sale of investments held, or otherwise, shall be treated for all purposes as capital moneys and not as profits available for dividend. Any losses realised on the sale of any investments may be carried to the debit of such reserve except in so far as the Directors shall decide to make good the same out of other funds of the Company.
129. **Directors' rights to invest.** The Directors shall be at liberty to invest any sums carried to capital reserve or realisation account or to the ordinary reserve account or accounts upon such investments as they think fit, other than shares of the Company, and from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company

(save as hereinbefore provided) and to divide the ordinary reserve account or accounts into such special accounts as they think fit with full power to employ the assets constituting the reserve account or accounts in the business of the Company.

130. **Dividends payable by cheque.** Any dividend, interest or other money payable in cash in respect of shares, debt securities or *sukuk* respectively, income distributions made by collective investment schemes, capital repayment, cash payment in lieu of odd lots arising from distribution in specie may be paid by direct debit, cheque or any other methods as shall be determined by the Directors, sent to the address of the Member as shown in the Register of Members or Record of Depositors or to such other address as the Member in writing directs. For the avoidance of doubt, payment of dividend may also be made by direct transfer or such other mode of electronic means to the bank account of the Member whose name appears in the Register of Members or Record of Depositors, or if more than one (1) person is entitled thereto in consequence of the death or bankruptcy of the Member, payment in such manner to the bank account of any such persons or to the bank account of such persons as such person may by writing direct. The payment of any dividend by such electronic means shall constitute a good and full discharge to the Company of the dividend to which it relates notwithstanding any discrepancy given by the Member in the details of his bank account(s). No dividend or other moneys payable shall bear interest against the Company unless otherwise provided by the rights attached to the share.
131. **Dividend Reinvestment Scheme.** The Directors may establish, maintain and give effect to the Dividend Reinvestment Scheme approved by the Company in general meeting and a Member has an option to reinvest cash dividend distributed by the Company into such scheme.
132. **Unclaimed dividends.** All dividends unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. If any dividend shall have remained unclaimed for at least twelve (12) years after the same become payable the Board may forfeit the same, and after such forfeiture no Member or other person shall have any rights to or claim in respect of such dividend. No dividend shall bear interest against the Company. The Directors shall comply with the Unclaimed Moneys Act, 1965.

#### **CAPITALISATION OF RESERVES, ETC.**

133. **Capitalisation of profits and undivided profits.** The Company in general meeting may at any time and from time to time pass a resolution that any sum not required for the payment or provision of any fixed preferential dividend, and being any part of the undivided profits in the hands of the Company and/or accretion to capital accruing on sale or shown by a valuation or revaluation of any property or assets of the Company, be capitalised, and that such sums be applied for the benefit of the Members in the proportions in which they would have been entitled thereto if the same had been distributed by way of dividend and in such manner as the resolution may direct, and such resolution shall be effective, and the Directors shall in accordance with such resolution apply such sum in paying up in full any unissued shares or debentures of the Company on behalf of the Members aforesaid, and appropriate such shares or debentures and distribute the same credited as fully paid up to and amongst such Members in the proportions aforesaid in satisfaction of the shares and interests of such Members in the said capitalised sum or shall apply some or part thereof on behalf of the Members aforesaid in paying up the whole or part of any uncalled balance which shall for the time being be unpaid in respect of any issued ordinary shares held by such Members or otherwise deal with such sum as directed by such resolution. Where any difficulty arises in respect of any such distribution, the Directors may settle the same as they think expedient, and in particular they may issue fractional certificates, fix the value for distribution of any fully paid-up shares or debentures, make cash payments to any Members on the footing of the value so fixed in order to adjust rights, and vest any such shares or debentures in trustees upon such trusts for the persons entitled to share in the appropriation and distribution as may seem just and expedient to the Directors. When deemed requisite a proper contract for the allotment and acceptance of any shares to be distributed as aforesaid shall be delivered to the Registrar of Companies for registration in accordance with the Act and the Directors may appoint any person to sign such contract on behalf of the persons entitled to share in the appropriation and distribution and such appointment shall be effective and any agreement made aforesaid shall be effective and binding on all the Members concerned.

## ACCOUNTS

134. **Presentation of accounts.** The Board shall from time to time in accordance with Section 248 of the Act cause to be prepared and to be sent to every Member entitled to receive notices of general meeting, every auditor and every debenture holder the financial statements as are required to be attached thereto. The interval between the close of a financial year of the Company and the issue of the annual audited financial statements, the directors' and auditors' reports shall not exceed four (4) months.
135. **Copy of accounts.** A copy of the audited financial statements (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting, together with a copy of the auditors' report shall not less than twenty-one (21) days before the date of the meeting, be sent to every Member and every holder of debenture of the Company as described in the Register of Members or the Record of Depositors as required by and subject to the provisions of Section 258 of the Act. For the avoidance of doubt, the Company shall be entitled to send the auditors' report to the Member via CD-ROM or any other electronic means or uploaded to the Company's website or weblink. Copies of these documents shall at the same time be forwarded to each Stock Exchange upon which the Company's shares are listed. The auditors' report shall, if any Member so requires, be read before the Company in general meeting and shall be open to inspection by any Member as required by Section 266(6) of the Act.

## NOTICES AND OTHER DOCUMENTS

136. **Manner in which notice to be given.** Unless expressly provided otherwise in this Constitution, any notice including other documents, statements, report to be given to or required to be completed by a Member pursuant to this Constitution, the Act or the Listing Requirements, shall be in writing either in hardcopy, in electronic form or partly in hardcopy and partly in electronic form or be made available on a website or weblink prescribed by the Company from time to time, except that a notice calling a meeting of the Directors need not be in writing.
137. **Service of notices and/or other documents.** A notice or other document may be given by the Company to any Member either by serving it on him:-
- (a) personally;
  - (b) by sending it by post to him at his address in Malaysia as shown in the Register of Members or Record of Depositors. Any Member described in the Register of Members or Record of Depositors by an address not within Malaysia who shall from time to time give the Company a service address within Malaysia at which notices may be served upon him shall be entitled to have notices served upon him at such address;
  - (c) by cable, telegram, facsimile or any electronic means to a service address where notices may be served upon him;
  - (d) publishing the notice or other documents on the Company's website or weblink;
  - (e) by using any other electronic platform maintained by the Company or third parties that can host the information in a secure manner for access by Members; or
  - (f) by advertisement in accordance with Clause 139.

Where notices or other documents are published on the Company's website, the Company shall separately and immediately on the day such notice or document is published notify the Members in writing or by electronic means (other than through the Company's website) or any other form of communication permitted including but not limited to advertisement in at least one (1) nationally circulated Bahasa Malaysia or English language daily newspaper about the publication and the designated weblink or address where a copy of the notice or document may be downloaded and printed.



Where a notice or document is sent via electronic means or where copies are made available for download from a designated weblink, a Member is entitled to request for hard copies of the notice or document. Upon receipt of the request the Company shall within the prescribed period specified under the Listing Requirements send to the Member the said hard copies.

138. **No address within Malaysia.** If a Member has no registered address in Malaysia and has not supplied to the Company a service address within Malaysia for the giving of notices to him, a notice posted up in the Office of the Company or on the Company's website or weblink shall be deemed to be well served on him at the expiration of twenty-four (24) hours after it is so posted.
139. **Circulation of notice in daily newspaper.** Any notice required to be given by the Company to the Members or any of them and not expressly provided for by these presents shall be sufficiently given if given by advertisement, and any notice required to be or which may be given by advertisement shall be advertised once in one (1) nationally circulated Bahasa Malaysia or English language daily newspaper.
140. **Notice in case of death or bankruptcy.** A notice may be given by the Company to the persons entitled to any shares in consequence of the death or bankruptcy of a Member by sending or delivering it in any manner authorised by this Constitution for the giving of notice to a Member addressed to them by name or by the title of representatives or trustees of such deceased or bankrupt Member at the address (if any) in Malaysia supplied for the purpose by such persons as aforesaid, or (until such an address has been supplied) by giving the notice in the manner in which the same would have been given if the death or bankruptcy had not occurred.
141. **Service of notices after the death of a Member.** Any notice or document delivered or sent in any manner authorised by this Constitution or left at the registered address of any Member in pursuance of this Constitution shall, notwithstanding such Member be then deceased and whether or not the Company has notice of his death, be deemed to have been duly served in respect of any shares, by such Member until some other person be registered in his stead as the holder or depositor thereof and such service shall, for all purposes of this Constitution, be deemed a sufficient service of such notice or document on his heirs, executors or administrators and all persons, if any, jointly interested with him in any such share.
142. **When service deemed effected.** Any notice or other document, if served or sent:-
- (a) by post shall be deemed or to have been served or delivered at the time 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 document was properly addressed and put into the post office as a prepaid letter and a certificate in writing, signed by a Director or any other officer of the Company stating the above shall be conclusive evidence thereof.
  - (b) by telex, facsimile, telegram, mail or other electronic means shall be on the day of despatch or transmission.
  - (c) by way of advertisement shall be on the day on which the advertisement appears in the relevant national daily newspaper.
  - (d) by publication on the Company's website or weblink shall be on the day it is first made available on the website or weblink.
143. **Notice to persons entitled to a share.** Every person who becomes entitled to a share shall be bound by a notice in respect of that share which before his name is entered in the Register of Members or Record of Depositors has been duly given to a person from whom he derives his title.

## WINDING UP

144. **Distribution of assets in specie.**
- (1) If the Company is wound up, the liquidator may with the sanction of the 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 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 class of Members.
  - (2) 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 contributories as the liquidator, with the like sanction, thinks fit, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.
145. **Voluntary liquidation.** On a voluntary liquidation of the Company, no commission or fee shall be paid to a liquidator unless it shall have been approved by the Company in general meeting. The amount of such payment shall be notified to all Members at least seven (7) days prior to the meeting at which it is to be considered.
146. **Distribution of assets.** Save that this Clause 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 amongst 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 amongst 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 amongst 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.

## INDEMNITY

147. **Indemnity.** Every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities (including any such liability as is mentioned in the Act), which he may sustain or incur in or about the proper and valid execution of the duties of his office or otherwise in relation thereto, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the proper and valid execution of the duties of his office or in relation thereto. But this Clause shall only have effect in so far as the provisions are not avoided by the Act.

## SECRECY CLAUSE

148. **Secrecy.** Save as may be provided by the Act, no Member shall be entitled to enter into or upon or inspect any premises or property of the Company nor to require discovery of any information respecting 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 business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Members of the Company to communicate to the public.

## COMPLIANCE WITH STATUTES, REGULATIONS AND RULES

149. **Compliance with statutes, regulations and rules.** The Company shall comply with the provisions of the relevant governing statutes, regulations and rules as may be amended, modified or varied from time to time or any other directives or requirements imposed by the Stock Exchange, Central Depository and other appropriate authorities to the extent required by law, notwithstanding any provisions in this Constitution to the contrary.

150. **General mandate from Members.** Subject to the Act, the provisions of this Constitution and the Listing Requirements, the Company may seek its shareholders' mandate which is renewable on an annual basis to enter into, deal with, act in or handle all related party transactions involving recurrent transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Company.
151. **Waiver of Listing Requirements.** Where permitted under the law, the Company is empowered to apply as the Directors think fit, to the Stock Exchange to:-
- (1) waive or modify the Company's compliance with any of the Listing Requirements or part thereof; and/or
  - (2) vary or revoke any decision(s) made by the Stock Exchange in respect of the Company's compliance with any of the Listing Requirements or part thereof.

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

152. **Effect of the Listing Requirements.**
- (1) Notwithstanding anything contained in this Constitution, if the Listing Requirements prohibit an act being done, the act shall not be done.
  - (2) Nothing contained in this Constitution prevents an act being done that the Listing Requirements require to be done.
  - (3) 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).
  - (4) If the Listing Requirements require this Constitution to contain a provision and it does not contain such a provision, this Constitution are deemed to contain that provision.
  - (5) If the Listing Requirements require this Constitution not to contain a provision and it contains such a provision, this Constitution are deemed not to contain that provision.
  - (6) 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.
  - (7) For the purpose of this Clause, unless the context otherwise requires, "Listing Requirements" means the Listing Requirements of Bursa Malaysia Securities Berhad including any amendment to the Listing Requirements that may be made from time to time.