



SARAWAK CONSOLIDATED INDUSTRIES BERHAD

Registration No.: 197501003884 (25583-W)

(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Forty Fourth (44th) Annual General Meeting of Sarawak Consolidated Industries Berhad (“SCIB” or “the Company”) will be conducted entirely through live streaming from the broadcast venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Thursday, 18 June 2020 at 11.30 a.m. for the following purposes:

AGENDA

ORDINARY BUSINESS

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| (1) | To receive the Audited Financial Statements for the financial year ended 31 December 2019 together with the Reports of the Directors and Auditors thereon. | Please refer to Explanatory Note(i) |
| (2) | To approve the following payments to Directors: | |
| | (i) fees of the Directors at an amount not exceeding RM486,000 in aggregate for the financial year ending 31 December 2020 until the next annual general meeting of the Company; | Resolution 1 |
| | (ii) benefits of the Non-Executive Directors at an amount not exceeding RM714,000 for the financial year ending 31 December 2020 until the next annual general meeting of the Company. | Resolution 2 |
| (3) | To re-elect the Director, YBhg. Dato’ Dr. Ir. Ts. Mohd Abdul Karim Bin Abdullah who retires in accordance with Article 127 of the Company’s Constitution and being eligible, offers himself for re-election. | Resolution 3 |
| (4) | To re-elect the Director, Encik Rosland Bin Othman who retires in accordance with Article 127 of the Company’s Constitution and being eligible, offers himself for re-election. | Resolution 4 |
| (5) | To re-elect the Director, Encik Sr. Mohd Nazri Bin Mat Noor who retires in accordance with Article 127 of the Company’s Constitution and being eligible, offers himself for re-election. | Resolution 5 |
| (6) | To re-elect the Director, YBhg. Datu Haji Soedirman Bin Haji Aini who retires in accordance with Article 122(1) of the Company’s Constitution and being eligible, offers himself for re-election. | Resolution 6 |

- (7) To appoint Auditors and authorize the Directors to fix their remuneration.

Resolution 7

Notice of Nomination, a copy of which is annexed hereto, has been received by the Company for the nomination of Messrs. KPMG PLT, who have given their consent to act, for appointment as Auditors and of the intention to propose the following ordinary resolution:

“THAT Messrs. KPMG PLT be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors, Messrs. Crowe Malaysia PLT, to hold office until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Directors.”

SPECIAL BUSINESS

- (8) To consider and, if thought fit, pass the following ordinary resolution:

Resolution 8

- **Authority to issue shares pursuant to Section 76 of the Companies Act 2016**

“THAT pursuant to Section 76 of the Companies Act 2016, and subject always to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 20% of the total number of issued shares of the Company for the time being **AND THAT** the Directors be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad **AND FURTHER THAT** that such authority shall continue in force until the conclusion of the next annual general meeting of the Company.”

- (9) To consider and, if thought fit, pass the following ordinary resolution:

Resolution 9

- **Proposed renewal of shareholder mandate for recurrent related party transactions of a revenue or trading nature (“Proposed Shareholder Mandate”)**

“THAT, subject always to the Listing Requirements of Bursa Malaysia Securities Berhad, approval be hereby given to the Company and/or its subsidiaries (“SCIB Group”) to enter into any of the categories of related party transactions which are recurrent, of a revenue or trading nature and are necessary for the day-to-day operations of SCIB Group as outlined in Sections 3.2 and 3.3 on pages 2 to 3 of the Circular to Shareholders dated 18 May 2020 (“Circular”), with the specific related parties mentioned therein subject further to the followings:

- (i) the transactions are in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public and not detrimental to the interest of the minority shareholders of the Company; and
- (ii) disclosure is made in the annual report a breakdown of the aggregate value of the transactions conducted pursuant to the Proposed Shareholder 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 Main Market Listing Requirements, and amongst others, based on the following information:
 - the type of the recurrent related party transactions made; and
 - the names of the related parties involved in each type of the recurrent related party transactions made and their relationship with the Company.

AND THAT such approval will continue to be in force until:

- (i) the conclusion of the next Annual General Meeting (“AGM”) of the Company, at which time it will lapse, unless by an ordinary resolution passed at the meeting, the authority is renewed;
- (ii) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (“Act”) [but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act]; or
- (iii) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Shareholder Mandate.”

- (10) To transact any other business which may properly be transacted at an annual general meeting, due notice of which shall have been previously given in accordance with the Companies Act 2016 and the Constitution of the Company.

By Order of the Board of Directors

Voon Jan Moi (MAICSA 7021367)

SSM Practicing Certificate No.: 202008001906

Company Secretary

Dated: 18 May 2020

Kuching, Sarawak

Explanatory Notes:

- i) This agenda item is meant for discussion only and hence it will not be put forward for voting.
- ii) **Resolutions 3, 4, 5 and 6 - Re-election of Directors**
The Remuneration and Nomination Committee and the Board of Directors have assessed YBhg. Dato’ Dr. Ir. Ts. Mohd Abdul Karim Bin Abdullah, Encik Rosland Bin Othman, Encik Sr. Mohd Nazri Bin Mat Noor and YBhg. Datu Haji Soedirman Bin Haji Aini and recommended them to be re-elected as Directors of the Company at the forthcoming annual general meeting.
- iii) **Resolution 8 - Authority to issue shares pursuant to Section 76 of the Companies Act 2016**
The proposed resolution 8 will empower the Directors to issue shares up to an aggregate amount not exceeding 20% of the total number of issued shares of the Company for the time being, for such purposes as the Board of Directors consider would be in the best interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next annual general meeting of the Company.

The general mandate sought for issue of shares is a renewal of the mandate that was approved by the shareholders at the Company’s annual general meeting held on 30 May 2019 (“AGM 2019”). The Company did not utilize mandate obtained at the AGM 2019.

The renewal of the general mandate is to provide flexibility to the Company to issue new shares without the need to convene a separate general meeting to obtain its shareholders’ approval so as to avoid incurring additional cost and time.

The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital and/or acquisitions.
- iv) **Resolution 9 - Proposed renewal of shareholder mandate for recurrent related party transaction of a revenue or trading nature**

Please refer to the Circular to Shareholders dated 18 May 2020 for further information.

Notes:

- 1) *The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016, which requires the Chairperson of the meeting to be present at the main venue of the AGM. Shareholders will NOT be physically present at the Broadcast Venue on the day of the AGM*
- 2) *Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at the AGM via the Remote Participation and Voting facilities ("**RPV**") provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("**Tricor**") via its TIIH Online website at <https://tiih.online>. Please follow the Procedures for RPV in the Administrative Guide;*
- 3) *A proxy or attorney or a duly authorised representative may, but need not be a Member. There shall be no restriction as to the qualification of the proxy;*
- 4) *A Member of the Company who is entitled to attend and vote at the AGM via RPV may appoint not more than 2 proxies to attend and vote instead of the Member at the meeting;*
- 5) *Where a Member of the Company is an authorised nominee as defined in the Depositories Act, which is exempted from compliance with the provisions of subsection 25A(1) of the Depositories Act, it may appoint not more than 2 proxies in respect of each securities account it holds;*
- 6) *Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds;*
- 7) *Where a member or the authorised nominee appoints 2 proxies, or where an exempt authorised nominee appoints 2 or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies; and*
- 8) *A proxy appointed to attend and vote at the AGM via RPV shall have the same rights as the Member to speak at the meeting;*
- 9) *To be valid, the duly completed Form of Proxy must be deposited at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or by electronic lodgement via TIIH Online website at <https://tiih.online> not less than 48 hours before the time set for holding the meeting or any adjournment thereof;*
- 10) *A member who has appointed a proxy or authorised representative to attend, participate, speak and vote at this AGM via RPV must request his/her proxy or authorized representative to register himself/herself for RPV at TIIH Online website at <https://tiih.online>. Please follow the Procedures for RPV in Administrative Guide; and*
- 11) *A depositor whose name appears in the Record of Depositors as at 10 June 2020 shall be regarded as a member of the Company entitled to attend this AGM via RPV or appoint a proxy to attend, speak and vote on his behalf.*