



# SARAWAK CONSOLIDATED INDUSTRIES BERHAD

(Company No. 25583-W)  
(Incorporated in Malaysia)

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Forty Third (43<sup>rd</sup>) Annual General Meeting of Sarawak Consolidated Industries Berhad ("SCIB" or "the Company") will be held at the Board Room, Ground Floor, SCIB Building, Lot 1258, Jalan Utama, Pending Industrial Estate, 93450 Kuching, Sarawak on Thursday, 30 May 2019 at 10:00 a.m. for the following purposes:

### AGENDA

#### ORDINARY BUSINESS

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| (a) To receive the Audited Financial Statements for the financial year ended 31 December 2018 together with the Reports of the Directors and Auditors thereon.  | Please refer to Explanatory Note(i) |
| (b) To approve the following payments to Directors:<br>(i) annual fees of the Non-Executive Directors at an amount not exceeding RM269,000 in aggregate for the financial year ending 31 December 2019 (2018: RM242,083); and<br>(ii) meeting and other allowances up to RM72,000 for the year ending 31 December 2019 (2018: RM38,400) until the next annual general meeting of the Company. | Resolution 1<br>Resolution 2        |
| (c) To re-elect the Director, YBhg. Datu Ir. Haji Mohidden Bin Haji Ishak who retires in accordance with Article 115 of the Company's Articles of Association and being eligible, offers himself for re-election.   | Resolution 3                        |
| (d) To re-elect the Director, Encik Rewi Hamid Bugo who retires in accordance with Article 115 of the Company's Articles of Association and being eligible, offers himself for re-election.   | Resolution 4                        |
| (e) To re-elect the Director, Tuan Haji Abdul Hadi Bin Datuk Abdul Kadir who retires in accordance with Article 93 of the Company's Articles of Association and being eligible, offers himself for re-election.   | Resolution 5                        |
| (f) To appoint Auditors and authorize the Directors to fix their remuneration.  | Resolution 6                        |

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

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

#### SPECIAL BUSINESS

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| (g) To consider and, if thought fit, pass the following ordinary resolution:<br><br>• <b>Authority to issue shares pursuant to Section 76 of the Companies Act 2016</b> | Resolution 7 |
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- "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 10% 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."

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| (h) To consider and, if thought fit, pass the following ordinary resolution:<br><br>• <b>Proposed renewal of shareholder mandate for recurrent related party transactions of a revenue or trading nature ("Proposed Shareholder Mandate")</b> | Resolution 8 |
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- "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 4 of the Circular to Shareholders dated 30 April 2019 ("Circular"), with the specific related parties mentioned therein subject further to the following:
- (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."

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| (i) <b>Special Resolution</b><br>• <b>Proposed adoption of the new Constitution of the Company</b> | Resolution 9 |
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- "THAT the existing Memorandum and Articles of Association of the Company be and are hereby deleted in its entirety and that in place thereof, the proposed new Constitution of the Company as set out in Appendix 1 of the Circular to Shareholders dated 30 April 2019 be and is hereby adopted as the new Constitution of the Company with immediate effect;
- AND THAT** the Directors of the Company be and are hereby authorised to do all acts, deeds and things as are necessary and/or expedient in order to give full effect to the proposed adoption of the new Constitution with full powers to assent to any conditions, modifications and/or amendments as may be required by any authorities to give full effect to the foregoing."
- (j) 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 Articles of Association of the Company.

**By Order of the Board of Directors**  
**Voon Jan Moi (MAICSA 7021367)**  
Company Secretary

Dated: 30 April 2019  
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 and 5 - Re-election of Directors**  
The Remuneration and Nomination Committee and the Board of Directors have assessed YBhg. Datu Ir. Haji Mohidden Bin Haji Ishak, Encik Rewi Hamid Bugo and Tuan Haji Abdul Hadi Bin Datuk Abdul Kadir and recommended them to be re-elected as Directors of the Company at the forthcoming annual general meeting.
  - iii) **Resolution 7 - Authority to issue shares pursuant to Section 76 of the Companies Act 2016**  
The proposed resolution 7 will empower the Directors to issue shares up to an aggregate amount not exceeding 10% 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 31 May 2018 ("AGM 2018"). The Company did not utilize mandate obtained at the AGM 2018.
- 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 8 - Proposed renewal of shareholder mandate for recurrent related party transaction of a revenue or trading nature**  
Please refer to the Circular to Shareholders dated 30 April 2019 for further information.

- v) **Resolution 9 - Special resolution on proposed adoption of the new Constitution**  
The proposed Resolution 9, if passed will align the Constitution with Companies Act 2016 which came into force on 31 January 2017, the updated provision of the Main Market Listing Requirements of Bursa Securities and the prevailing laws, guidelines or requirements of the relevant authorities, to enhance administrative efficiency and provide greater clarity.  
Please refer to the Circular to Shareholders dated 30 April 2019 for further information.

#### Notes:

1. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy. A proxy appointed to attend, speak and vote at a meeting of a Company shall have the same rights as the member to speak at the meeting.
2. To be valid, the duly completed Form of Proxy must be deposited at the registered office of the Company at Lot 1258, Jalan Utama, Pending Industrial Estate, 93450 Kuching, Sarawak not less than 48 hours before the time set for holding the meeting or any adjournment thereof.
3. A member of the Company entitled to attend, speak and vote at this Annual General Meeting ("AGM") shall not be entitled to appoint more than two (2) proxies to attend, speak and vote at the same meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. If the appointor is a corporation, the Form of Proxy must be executed under its common seal or under the hand of an officer or attorney duly authorised.
5. 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. An exempt authorised nominee refers to an authorized nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
6. A depositor whose name appears in the Record of Depositors as at 23 May 2019 shall be regarded as a member of the Company entitled to attend this AGM or appoint a proxy to attend, speak and vote on his behalf.