



SARAWAK CONSOLIDATED INDUSTRIES BERHAD
(Company No. 25583-W)
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fortieth (40th) Annual General Meeting of Sarawak Consolidated Industries Berhad ("SCIB" or "the Company") will be held at the Board Room, 2nd Floor, SCIB Building, Lot 1258, Jalan Utama, Pending Industrial Estate, 93450 Kuching, Sarawak on Monday, 30 May 2016 at 12.00 noon for the following purposes:

AGENDA

ORDINARY BUSINESS

- (a) To receive the Audited Financial Statements for the financial year ended 31 December 2015 together with the Reports of the Directors and Auditors thereon.
- (b) To approve the annual fees of the Non-Executive Directors at an amount not exceeding RM300,000 in aggregate for the financial year ending 31 December 2016 (2015: RM254,400). Resolution 1
- (c) To re-elect the Director, Tuan Haji Soedirman Bin Haji Aini who retires in accordance with Article 115 of the Company's Articles of Association and being eligible, offers himself for re-election. Resolution 2
- (d) To re-elect the following Directors who retire pursuant to Article 122 of the Company's Articles of Association and being eligible, offer themselves for re-election:
 - i) YBhg. Datu Ir. Haji Mohidin Bin Haji Ishak Resolution 3
 - ii) Encik Shamsul Anuar Bin Ahamad Ibrahim Resolution 4
 - iii) Encik Rewi Hamid Bugo Resolution 5
- (e) To consider and if thought fit, to pass the following resolution:
"THAT pursuant to Section 129(6) of the Companies Act, 1965, YBhg. Tan Sri Datuk Amar (Dr.) Hamid Bin Bugo, be and is hereby re-appointed as a Director of the Company to hold office until the conclusion of the next annual general meeting." Resolution 6
- (f) To re-appoint Messrs. Ernst & Young as auditors of the Company for the ensuing year and to authorise the Board of Directors to fix their remuneration. Resolution 7

SPECIAL BUSINESS

- (g) To consider and, if thought fit, pass the following ordinary resolution:
Authority to issue shares pursuant to Section 132D of the Companies Act, 1965
"THAT pursuant to Section 132D of the Companies Act, 1965, 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 issued share capital 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 that such authority shall continue in force until the conclusion of the next annual general meeting of the Company." Resolution 8
- (h) To consider and, if thought fit, pass the following ordinary resolution:
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 Section 2.2 on page 2 of the Circular to Shareholders (Part A) dated 29 April 2016 ("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 that 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 143(1) of the Companies Act, 1965 ("Act") (but must not extend to such extension as may be allowed pursuant to Section 143(2) 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."

- (i) To consider and, if thought fit, pass the following ordinary resolution:
Proposed Renewal of Authority for Purchase of Own Shares by the Company
"THAT, subject always to the Companies Act, 1965 ("Act"), rules, regulations and orders made pursuant to the Act, provisions of the Memorandum and Articles of Association of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authorities, the Company be and is hereby unconditionally and generally authorised to purchase and/or hold on the market of Bursa Securities such number of ordinary shares of RM1.00 each ("Shares") in the Company as may be determined by the Directors from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company provided:
 - (i) that the total aggregate number of Shares purchased and/or held or to be purchased and/ or held pursuant to this resolution shall not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company for the time being;
 - (ii) the funds to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the aggregate of the total share premium account of the Company at the time of purchase; and
 - (iii) the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and will continue to be in force until:
 - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
 - (b) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
 - (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting,
 whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of the Shares before the aforesaid expiry date and, made in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities; and
 - (iv) upon completion of the purchase(s) of the Shares by the Company, the Directors of the Company be and are hereby authorised to cancel the Shares so purchased or to retain the Shares so purchased as treasury shares, of which may be distributed as dividends to shareholders, and/or resold on Bursa Securities, and/or subsequently cancelled or to retain part of the Shares so purchased as treasury shares and cancel the remainder and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authority for the time being in force;
- AND THAT** the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise, complete or to effect the purchase(s) of the Shares with full powers to assent to any conditions, modifications, resolutions, variations and/or amendments (if any) as may be imposed by the relevant authorities and to do all such acts and things as the said Directors may deem fit and expedient in the best interest of the Company to give full effect to and to complete the purchase of SCIB's own shares."
- (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 Articles of Association of the Company and the Companies Act, 1965. Resolution 10

By Order of the Board of Directors

Voon Jan Moi (MAICSA 7021367)
Company Secretary

Dated: 29 April 2016
Kuching, Sarawak

Explanatory Notes on Special Businesses:

- i) **Resolutions 3 and 4 - Re-election of Directors**
The Remuneration and Nomination Committee and the Board of Directors have assessed the independence of YBhg. Datu Ir. Haji Mohidin Bin Haji Ishak and Encik Shamsul Anuar Bin Ahamad Ibrahim and recommended them to be re-elected as Directors at the forthcoming annual general meeting.
- ii) **Resolution 8 - Authority to issue shares pursuant to Section 132D of the Companies Act, 1965**
The proposed resolution 8 will empower the Directors to issue shares up to an aggregate amount not exceeding 10% of the issued share capital of the Company for the time being, for such purposes as the Directors consider would be in the best interest of the Company and also to empower the Directors to obtain approval from Bursa Securities for the listing of and quotation for additional shares issued. 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 June 2015 ("AGM 2015"). The Company did not utilise the mandate obtained at the AGM 2015.
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.
- iii) **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 (Part A) dated 29 April 2016 for further information.
- iv) **Resolution 10 - Proposed Renewal of Authority for Purchase of Own Shares by the Company**
Please refer to the Statement to Shareholders (Part B) dated 29 April 2016 for further information.

Notes:

1. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
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 authorized 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 24 May 2016 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.