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**SEG**  
**International**  
**Bhd**  
145998-U

(Incorporated in Malaysia under the Companies Act, 1965)

**PART A**

**STATEMENT TO SHAREHOLDERS**

**IN RELATION TO THE**

**PROPOSED RENEWAL OF AUTHORITY FOR THE PURCHASE BY  
SEG INTERNATIONAL BHD OF ITS OWN ORDINARY SHARES  
("SHARE BUY-BACK STATEMENT")**

**PART B**

**PROPOSED NEW CONSTITUTION**

The above proposals will be tabled as Special Business at the Company's Thirty-Third Annual General Meeting ("AGM"). The Notice of the 33<sup>rd</sup> AGM together with the Form of Proxy are enclosed in the 2018 Annual Report of the Company.

The Form of Proxy should be completed and returned in accordance with the instructions therein as soon as possible and should reach the Registered Office at 6th Floor, SEGi University, No. 9, Jalan Teknologi, Taman Sains Selangor, Kota Damansara, PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time of the AGM, or at any adjournment thereof, or in the case of a poll, not less than twenty-four (24) hours before the time appointed for taking the poll. The lodging of the Form of Proxy will not preclude you from attending the meeting and voting in person should you subsequently wish to do so.

Date and time of the AGM	: Wednesday, 12 June 2019 at 10.30 a.m.
Venue of AGM	: Level 2, Right Wing, SEGi University No. 9, Jalan Teknologi, Taman Sains Selangor Kota Damansara, PJU 5, 47810 Petaling Jaya, Selangor

# **PART A**

STATEMENT TO SHAREHOLDERS

IN RELATION TO THE

SHARE BUY-BACK STATEMENT

## 1. INTRODUCTION

At the 32<sup>nd</sup> AGM of the Company held on 6 June 2018, the Board of Directors of SEG International Bhd (“SEGi” or “the Company”) obtained the approval from the Company’s shareholders for the renewal of authorisation for the Company to purchase up to ten percent (10%) of its issued shares of the Company (“Mandate”). The Mandate shall expire at the conclusion of the forthcoming AGM unless the authority is renewed.

On 10 April 2019, the Company announced its intention to seek the shareholders’ approval for the renewal of the Mandate for the Company to purchase its own shares on Bursa Securities of such number of shares in the Company representing up to ten percent (10%) of its issued shares of the Company (“Proposed Share Buy-Back”).

This Share Buy-Back Statement serves to provide you with the relevant information on the Proposed Share Buy-Back, to set out the Board’s recommendation thereon and to seek your approval for the resolution pertaining to the Proposed Share Buy-Back to be tabled at the forthcoming AGM as Special Business. The Notice of AGM together with the Form of Proxy are enclosed in the 2018 Annual Report.

## 2. THE PROPOSED SHARE BUY-BACK

### 2.1 The Proposed Share Buy-Back

The Board of Directors proposes to seek the approval of the shareholders of the Company for the renewal of Mandate for the Proposed Share Buy-Back at any point in time through its stockbroker(s) on the Bursa Securities. As at 25 April 2019, the total issued shares of the Company were 1,264,563,142 ordinary shares (including 26,048,600 SEGi shares already purchased and held as treasury shares).

The Company has a Long Term Incentive Plan (“LTIP”) which comprises the employees’ share option scheme (“ESOS”) and Share Grant Plan for the eligible Directors and employees of the Company and its subsidiaries. The total number of ordinary shares in the Company (“SEGi Shares” or “Shares”) which may be made available, issued and/or vested under the LTIP shall not be more than fifteen percent (15%) of the total number of issued shares of the Company, excluding treasury shares, at any one time during the duration of the LTIP. Assuming the maximum amount of ESOS options and Performance Share Plan (“PSP”) Grants under the LTIP are fully offered and vested/exercised, for illustration purpose, the total number of issued shares of the Company will stand at 1,449,790,390 SEGi Shares. Hence, the maximum number of Shares which may be purchased and/or held by the Company will be ten percent (10%) of the total number of issued share of SEGi or 144,979,039 SEGi shares (including 26,048,600 SEGi shares already purchased and held as treasury shares).

### 2.2 Source of Funds

Pursuant to the Main Market Listing Requirements of Bursa Securities, the Proposed Share Buy-Back must be made wholly out of retained profits of the Company. Therefore, the maximum amount of funds to be allocated for the purchase of SEGi Shares under the Proposed Share Buy-Back will be subject to the amount of SEGi’s retained earnings. Based on the latest audited financial statements as at 31 December 2018, the retained profits of the Company were RM2,545,000. The Proposed Share Buy-Back, if implemented, will be funded by internally generated funds and/or external borrowings, the proportion of which depends on the quantum of purchase consideration, availability of internally generated funds and other relevant cost factors.

In the event that the Company purchases and holds its own shares using external borrowing, the Board will ensure that the Company has sufficient funds to repay the external borrowings and that the repayment is not expected to have a material impact on the cash flow of the Company.

### 2.3 Public Shareholding Spread

As at 25 April 2019, the public shareholding spread was 30.44%. The public shareholding spread of the Company is expected to be reduced to 24.10% assuming the Company implements the Proposed Share Buy-Back in full i.e up to 10% of the issued shares of the Company.

The Board is mindful of the requirement that any purchase of the SEGi shares by the Company must not result in the public shareholding spread of the Company falling below 25% of its issued and paid-up share capital.

## **2. THE PROPOSED SHARE BUY-BACK (CONT'D.)**

### **2.4 Implication of the Malaysian Code on Take-Overs and Mergers, 2016 ("the Code")**

The Proposed Share Buy-Back may result in any director(s), substantial shareholder(s) and/or parties acting in concert triggering a mandatory general offer obligation. In the event the Proposed Share Buy-Back results in any director(s), substantial shareholder(s) and/or parties acting in concert with him/them triggering a mandatory offer obligation under the Code, the affected director(s) or substantial shareholder(s) will be obliged to make a mandatory offer for the remaining SEGi Shares not held by him/them. The Board is mindful of the provision under the Code.

### **2.5 Potential Advantages and Disadvantages of the Proposed Share Buy-Back**

#### **2.5.1 Potential Advantages**

The potential advantages of the Proposed Share Buy-Back are as follows:

- (i) The Mandate would enable the Company to utilise its financial resources more efficiently especially where there are no immediate uses. If the SEGi Shares purchased are subsequently cancelled, this may strengthen the consolidated earnings per share ("EPS") of the Group as indicated below.
- (ii) The Mandate will also provide the Company with opportunities for potential gains if the purchased SEGi Shares which are retained as treasury shares are resold at prices higher than their cost of purchase.
- (iii) In any event, the treasury share may also be distributed as share dividends to shareholders as a reward.
- (iv) The Proposed Share Buy-Back may also stabilise the supply and demand of SEGi Shares traded on Bursa Securities and reduce the volatility of its share prices. The stability of SEGi Share price is important to maintain investors' confidence and may also assist in facilitating future fund raising via the equity market.

#### **2.5.2 Potential Disadvantages**

The potential disadvantages of the Proposed Share Buy-Back are as follows:

- (i) The Proposed Share Buy-Back will reduce the financial resources of the Company. This may result in the Company foregoing other investment opportunities that may emerge in the future or, at least, deprive the Company's interest income that can be derived from funds utilised for the Proposed Share Buy-Back.
- (ii) As the Proposed Share Buy-Back can only be made out of the retained profits of the Company, it may reduce the reserves available for distribution to the shareholders of the Company in the immediate future. However, the reserves of the Company may be recovered and increased upon the selling of the purchased shares held as treasury shares.
- (iii) In addition, the Proposed Share Buy-Back may reduce the consolidated net assets of the Company if all the SEGi Shares purchased are subsequently cancelled and the purchase price of its own shares is higher than the consolidated net assets of the Company at the time of purchase.

Nevertheless, the Proposed Share Buy-Back is not expected to have any potential material disadvantage to the Company and its shareholders, as it will be implemented only after careful consideration of the financial resources of the Group and its resultant impact. The Board will be mindful of the interests of the Company, the Group and the shareholders in implementing the Proposed Share Buy-Back.

### **2.6 Purchase, resale and/or cancellation of SEGi shares in the last financial year**

The Company had not purchased, resold or cancelled any shares in the preceding twelve (12) months.

As at 31 December 2018, the total treasury shares held by the Company was 26,048,600 shares.

### 3. SHARE PRICE

The monthly highest and lowest prices of SEGi shares traded on Bursa Securities for the past twelve (12) months up to 25 April 2019 are as follows:-

Month		High (RM)	Low (RM)
2018	April	0.655	0.630
	May	0.660	0.640
	June	0.655	0.635
	July	0.680	0.635
	August	0.670	0.650
	September	0.650	0.605
	October	0.665	0.625
	November	0.675	0.630
	December	0.655	0.635
	2019	January	0.655
February		0.640	0.630
March		0.640	0.620
Up to 25 April		0.640	0.610

The last transacted price of SEGi shares on 25 April 2019, being the latest practicable date prior to the printing of this Circular, was RM0.635.

*(Source: The Star)*

### 4. RATIONALE FOR THE PROPOSED SHARE BUY-BACK

The Proposed Share Buy-Back will enable the Company to utilise its surplus financial resources which is not immediately required for other uses to purchase its own shares from the market. It may stabilise the supply and demand of its shares traded on Bursa Securities, thereby supporting its fundamental value.

The Proposed Share Buy-Back, whether to be held as treasury shares or subsequently cancelled, will effectively reduce the number of shares carrying voting and participation rights. Therefore, the shareholders of the Company may enjoy an increase in the value of their investment in SEGi due to the increase in its EPS.

The purchased shares can be held as treasury shares and resold on Bursa Securities at a higher price with the intention of realising potential gain without affecting the total issued capital of the Company. Should any treasury shares be distributed as share dividends, this would serve to reward the shareholders of the Company.

### 5. FINANCIAL EFFECTS

On the assumption that the Proposed Share Buy-Back is carried out in full, the effects of the Proposed Share Buy-Back on the share capital, net assets, working capital, earnings and shareholdings of Directors and substantial shareholders of SEGi are set out below:-

#### 5.1 Share Capital

The effects of any purchase of the Company's own SEGi Shares will depend on whether the SEGi Shares so purchased are cancelled or retained as treasury shares.

The Proposed Share Buy-Back will not have any effect on the issued shares if all the SEGi Shares purchased are to be retained as treasury shares, re-sold or distributed to our shareholders.

## 5. FINANCIAL EFFECTS (CONT'D.)

### 5.1 Share Capital (cont'd.)

The Proposed Share Buy-Back will however, result in the reduction of the issued shares if the SEGi Shares so purchased are cancelled. The proforma effects of the Proposed Share Buy-Back based on the issued shares as at 25 April 2019 and assuming the SEGi Shares so purchased are cancelled are set out below:

**Scenario I** : Assuming that no additional vesting of PSP Grants or no exercise of ESOS options under the LTIP after 25 April 2019

**Scenario II** : Assuming full granting and vesting/exercise of PSP Grants/ESOS options under the LTIP

	<b>Scenario I</b>	<b>Scenario II</b>
	<b>No. of shares</b>	<b>No. of shares</b>
Existing issued shares as at 25 April 2019	1,264, 563,142	1,264, 563,142
Full vesting/exercise of PSP Grants/ESOS options under the LTIP	-	185,227,248
Enlarged issued share capital	1,264, 563,142	1,449,790,390
Treasury shares as at 25 April 2018	(26,048,600)	(26,048,600)
If maximum number of shares are purchased pursuant to the Proposed Share Buy-Back	(100,407,714)	(118,930,439)
Issued shares as diminished, if the treasury shares are cancelled	1,138,106,828	1,304,811,351

### 5.2 Net Assets ("NA")

The NA of the Group may increase or decrease depending on the purchase prices of the shares, the effective cost of funding and the treatment of the shares purchased.

The Proposed Share Buy-Back will reduce the NA per share if all the purchased shares are cancelled and the purchase price exceeds the NA per share at the time of purchase. On the contrary, the NA per share will increase when the purchase price is less than the NA per share at the time of purchase.

If the purchased shares are treated as treasury shares and subsequently resold on the Bursa Securities, the NA of the Group will increase if the Company realises a gain from the resale, and vice-versa. If the treasury shares are distributed as share dividends, the NA of the Group will decrease by the cost of the treasury shares.

### 5.3 Working Capital

The Proposed Share Buy-Back would reduce funds available for working capital purposes of the Company, the quantum of which would depend on the purchase price, the actual number of shares purchased and any associated costs incurred in making the purchase.

However, if the purchased shares are treated as treasury shares and subsequently resold on the Bursa Securities, the working capital of the Group will increase should the Company realise a gain from the resale. Again, the quantum of the increase in the working capital will depend on the actual selling price of the treasury shares and the number of treasury shares resold.

### 5.4 Earnings

The effects of the Proposed Share Buy-Back on the earnings of the Group would depend on the purchase price, the number of shares purchased and the effective funding cost to the Group to finance the shares purchased or any loss in interest income to the Group. The effective reduction in the issued capital of the Company pursuant to the Proposed Share Buy-Back will, generally, all else being equal, have a positive impact on the EPS of the Group.

In the event that the shares purchased are treated as treasury shares, the extent of the effect on the EPS of the Company will depend on the number and price(s) of treasury shares resold.

### 5.5 Dividend

The Proposed Share Buy-Back is not expected to have any effect on the policy for the Board in recommending dividends for the year ending 31 December 2019. The decision to declare and pay dividends in the future would depend on, amongst others, the profitability and cash flow position of the Company. The treasury shares may also be distributed as dividends to the shareholders, if the Company so decides.

## 6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

The proforma effects on the shareholding of the Directors and substantial shareholders based on the Registers of Directors and Substantial Shareholders of the Company as at 25 April 2018, assuming that the Proposed Share Buy-Back is carried out in full and the shares purchased are not from the following Directors and substantial shareholders, are as follows:

**Scenario I** : Assuming that no additional vesting of PSP Grants or no exercise of ESOS options under the LTIP after 25 April 2018

	Before the Proposed Share Buy-Back				After the Proposed Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<b>Directors</b>								
Tan Sri Clement Hii Chii Kok	396,694,479	32.03	**459,565,035	37.11	396,694,479	34.86	**459,565,035	40.38
Nicholas Rupert Heylett Bloy	-	-	**856,259,514	69.14	-	-	**856,259,514	75.24
Hew Mai Lan	-	-	-	-	-	-	-	-
Dato' Amos Siew Boon Yeong	3,771,428	0.30	-	-	3,771,428	0.33	-	-
Tan Sri Dato' Seri Megat Najmuddin Bin Dato' Seri Dr. Haji Megat Khas	67,991	0.01	-	-	67,991	0.01	-	-
Datuk Mohamed Azahari Bin Mohamed Kamil	-	-	-	-	-	-	-	-
Dato Goh Leng Chua	-	-	-	-	-	-	-	-
Edwin Fua Chye Jin	-	-	-	-	-	-	-	-
<b>Substantial shareholders</b>								
Tan Sri Clement Hii Chii Kok	396,694,479	32.03	**459,565,035	37.11	396,694,479	34.86	**459,565,035	40.38
Pinnacle Heritage Solutions Sdn Bhd	459,565,035	37.11	*396,694,479	32.03	459,565,035	40.38	*396,694,479	34.86
SmartUni 1 Ltd	-	-	**856,259,514	69.14	-	-	**856,259,514	75.24
Navis Asia Fund VI G.P., Ltd	-	-	**856,259,514	69.14	-	-	**856,259,514	75.24
Navis Capital Partners Limited	-	-	**856,259,514	69.14	-	-	**856,259,514	75.24
Richard Elletson Foyston	-	-	**856,259,514	69.14	-	-	**856,259,514	75.24
Nicholas Rupert Heylett Bloy	-	-	**856,259,514	69.14	-	-	**856,259,514	75.24
Rodney Chadwick Muse	-	-	**856,259,514	69.14	-	-	**856,259,514	75.24
HAL Investments (Asia) Ltd	-	-	**856,259,514	69.14	-	-	**856,259,514	75.24
HAL Holding N.V.	-	-	**856,259,514	69.14	-	-	**856,259,514	75.24
HAL Trust	-	-	**856,259,514	69.14	-	-	**856,259,514	75.24

## 6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS (CONT'D.)

**Scenario II** : Assuming full vesting/exercise of PSP Grants/ESOS options under the LTIP

	Before the Proposed Share Buy-Back				Proforma I: Assuming full vesting/ exercise of PSP Grants/ESOS options under the LTIP				After Proforma I and Proposed Share Buy-Back			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<b>Directors</b>												
Tan Sri Clement Hii Chii Kok	396,694,479	32.03	**459,565,035	37.11	396,694,479	27.86	**459,565,035	32.28	396,694,479	30.40	**459,565,035	35.22
Nicholas Rupert Heylett Bloy	-	-	**856,259,514	69.14	-	-	**856,259,514	60.14	-	-	**856,259,514	65.62
Hew Moi Lan	-	-	-	-	3,764,422	0.26	-	-	3,764,422	0.29	-	-
Dato' Amos Siew Boon Yeong	3,771,428	0.30	-	-	3,771,428	0.26	-	-	3,771,428	0.29	-	-
Tan Sri Dato' Seri Megat Najmuddin Bin Dato' Seri Dr. Haji Megat Khas	67,991	0.01	-	-	67,991	0.00	-	-	67,991	0.01	-	-
Datuk Mohamed Azahari Bin Mohamed Kamail	-	-	-	-	-	-	-	-	-	-	-	-
Dato Goh Leng Chua	-	-	-	-	-	-	-	-	-	-	-	-
Edwn Fua Chye Jin	-	-	-	-	-	-	-	-	-	-	-	-
<b>Substantial shareholders</b>												
Tan Sri Clement Hii Chii Kok	396,694,479	32.03	**459,565,035	37.11	396,694,479	27.86	**459,565,035	32.28	396,694,479	30.40	**459,565,035	35.22
Pinnacle Heritage Solutions Sdn Bhd	459,565,035	37.11	*396,694,479	32.03	459,565,035	32.28	*396,694,479	27.86	459,565,035	35.22	*396,694,479	30.40
SmartUni 1 Ltd	-	-	**856,259,514	69.14	-	-	**856,259,514	60.14	-	-	**856,259,514	65.62
Navis Asia Fund VI G.P., Ltd	-	-	**856,259,514	69.14	-	-	**856,259,514	60.14	-	-	**856,259,514	65.62
Navis Capital Partners Limited	-	-	**856,259,514	69.14	-	-	**856,259,514	60.14	-	-	**856,259,514	65.62
Richard Elletson Foyston	-	-	**856,259,514	69.14	-	-	**856,259,514	60.14	-	-	**856,259,514	65.62
Nicholas Rupert Heylett Bloy	-	-	**856,259,514	69.14	-	-	**856,259,514	60.14	-	-	**856,259,514	65.62
Rodney Chadwick Muse	-	-	**856,259,514	69.14	-	-	**856,259,514	60.14	-	-	**856,259,514	65.62
HAL Investments (Asia) Ltd	-	-	**856,259,514	69.14	-	-	**856,259,514	60.14	-	-	**856,259,514	65.62
HAL Holding N.V.	-	-	**856,259,514	69.14	-	-	**856,259,514	60.14	-	-	**856,259,514	65.62
HAL Trust	-	-	**856,259,514	69.14	-	-	**856,259,514	60.14	-	-	**856,259,514	65.62

Notes:

\*\* Deemed interest by virtue of the Director/company is deemed to have an interest in Pinnacle Heritage Solutions Sdn Bhd's, direct and indirect, interest in SEGi Shares.

\* Deemed interest by virtue of the company is deemed to have an interest in Tan Sri Clement Hii Chii Kok's shareholding.



**7. APPROVALS REQUIRED**

The Proposed Share Buy-Back is subject to and conditional upon the approval of the shareholders of the Company at the forthcoming AGM.

**8. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS**

Save for the inadvertent proportionate increase in the percentage shareholdings and/or voting rights of the shareholders as a consequence of the implementation of the Proposed Share Buy-Back, none of the Directors or major shareholders or persons connected to them has any interest, direct or indirect, in the Proposed Share Buy-Back.

**9. DIRECTORS' RECOMMENDATION**

Your Directors, having considered all aspects of the Proposed Share Buy-Back, are of the opinion that the Proposed Share Buy-Back is in the best interests of the Company. Accordingly, your Directors recommend that you vote in favour of the ordinary resolution in relation to the Proposed Share Buy-Back to be tabled at the forthcoming AGM.

**10. OTHER INFORMATION**

There is no other information concerning the Proposed Share Buy-Back as shareholders and their advisers would reasonably require and expect to find in the Share Buy-Back Statement for the purpose of making informed assessment as to the merits of approving the Mandate and the extent of the risks involved in doing so.

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**FURTHER INFORMATION****1. Responsibility statement**

This Share Buy-Back Statement has been seen and approved by the Board of Directors of SEGi. The Directors, collectively and individually, accept full responsibility for the accuracy of the information given and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts the omission of which, would make any information herein misleading.

**2. Documents available for inspection**

The following documents are available for inspection during normal business hours at the registered office of SEGi at 6th Floor, SEGi University, No. 9, Jalan Teknologi, Taman Sains Selangor, Kota Damansara, PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan from the date of this Share Buy-Back Statement up to and including the date of the AGM:

- (a) Memorandum and Articles of Association (Constitution) of SEGi; and
- (b) Audited financial statements of SEGi for the past two (2) financial years ended 31 December 2017 and 2018.

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## **PART B**

PROPOSED NEW CONSTITUTION

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## Section 1. OBJECTS

1. Company Incorporation The name of the Company is SEG INTERNATIONAL BHD (the “**Company**”) which was incorporated on 11 October 1985 under the Act and its registered office is situated in Malaysia.
2. Type of Company The Company is a public company limited by shares.
3. Binding Nature Subject to the provisions of this Act, the Constitution shall be binding on the Company, the Directors and its members.
4. Objects The Company has full capacity to carry on or undertake any business or activity and/or to do any act or enter into any transaction for such purpose, and shall have for the foregoing purposes the full rights, powers and privileges to achieve such objects (including the rights contained in Section 21 of the Act).
5. Share Capital The share capital of the Company is its issued share capital. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise as may be provided for in the Constitution.

## Section 2. INTERPRETATION

6. Third Schedule (1) The Act shall apply to the Constitution together with all other relevant Applicable Laws, save that the provisions of the **Third Schedule of the Act** do not apply to the Company except those expressly stated in this Constitution.
- Definitions (2) In the Constitution unless the subject matter or context has a meaning assigned to them below, the defined terms shall be read and construed in accordance with the Act:

<b>Words</b>	<b>Meanings</b>
<b>Act</b>	The Companies Act 2016 and any statutory modification, amendment or re-enactment thereof for the time being in force.
<b>Applicable Laws</b>	All laws, bye-laws, regulations, rules, orders and/or official directions for the time being in force affecting the Company and its subsidiaries, including but not limited to:  (a) the Act (b) the Listing Requirements (c) SICDA (d) the Rules  and every other law for the time being in force concerning companies and affecting the Company and any other directives or requirements imposed on the Company by:  (i) the Securities Commission Malaysia; (ii) the Exchange; and/or (iii) other relevant regulatory bodies and/or authorities.
<b>Authorised Nominee</b>	A person who is authorised to act as nominee as specified under the Rules.
<b>Beneficial Owner</b>	The ultimate owner of the shares and does not include a nominee of any description.
<b>Board or Board of Directors</b>	The Board of Directors for the time being of the Company.
<b>Bursa Depository</b>	<b>Bursa Malaysia Depository Sdn. Bhd. (Company No. 165570-W)</b> including any further change of name. or such other depository as may be approved by the relevant authorities to be a central depository under SICDA and includes its successors-in-title and permitted assigns.
<b>Clause</b>	Clauses of the Constitution as originally framed or altered from time to time.
<b>Company</b>	<b>SEG International Bhd (Company No. 145998-U)</b> and its successors in title.
<b>Constitution</b>	This Constitution as originally framed or as altered from time to time.
<b>Deposited Security</b>	A security in the Company standing to the credit of a Securities Account and includes securities in a Securities Account that is in suspense.
<b>Depositor</b>	A holder of a Securities Account, as defined in <b>Section 2</b> of the <b>SICDA</b> .

<b>Directors</b>	The Directors for the time being of the Company.
<b>Exchange</b>	<b>Bursa Malaysia Securities Berhad (Company No. 635998-W)</b> and/or any other Exchange on which the Company is listed.
<b>Exempt Authorised Nominee</b>	An authorised nominee, as defined under the SICDA which is exempted from compliance with the provisions of <b>subsection 25A(1)</b> of <b>SICDA</b> .
<b>Listing Requirements</b>	Bursa Malaysia Securities Berhad Main Market Listing Requirements including any amendments thereto that may be made from time to time.
<b>Member(s)</b>	Any person(s) for the time being holding shares in the Company and whose name appears in the: <ul style="list-style-type: none"> <li>(a) Register of Members; and</li> <li>(b) Record of Depositors (except Bursa Malaysia Depository Nominees Sdn Bhd) as a depositor;</li> </ul>
<b>Office</b>	The registered office for the time being of the Company.
<b>Record of Depositors</b>	The record of depositors provided by the Bursa Depository to the Company or its registrar(s) under <b>Chapter 24.0</b> of the <b>Rules</b> .
<b>Register</b>	The Register of Members to be kept pursuant to the Act, and unless otherwise expressed to the contrary, includes the Record of Depositors.
<b>Registrar</b>	The Registrar of the Company.
<b>Rules</b>	Such rules having the meaning given in <b>Section 2</b> of <b>SICDA</b> .
<b>Seal</b>	The Common Seal of the Company or in appropriate cases the Official Seal.
<b>Secretary</b>	Any person or persons appointed to perform the duties of the secretary of the Company.
<b>Securities</b>	As defined in <b>Section 2(1)</b> of the <b>Capital Markets and Services Act 2007</b> or any modification, amendment or re-enactment thereof for the time being in force.
<b>Securities Account</b>	An account established by the Bursa Depository for a Depositor for the recording of deposit of Securities and for dealing in such Securities by the Depositor, as defined in the SICDA and/or the Rules.
<b>SICDA</b>	<b>Securities Industry (Central Depositories) Act 1991</b> , and any statutory modification, amendment or re-enactment thereof for the time being in force.

- (3) In this Constitution, the following shall be applied unless the context requires otherwise:
- (a) Writing: reference to “writing” shall include printing and lithography, words, symbols and other information, which may be displayed via visible form, whether in a physical document or in any electronic communication or form or otherwise howsoever;
  - (b) Singular/Plural: words importing the singular number only shall include the plural number and vice versa;
  - (c) Gender: words importing the masculine gender shall include the feminine and neuter genders and vice versa;
  - (d) Construction of laws: words and phrases, definitions of which are given in the Applicable Laws shall be construed as having the meaning thereby attributed to them, but excluding any statutory modification thereof not in force at the date of adoption of this Constitution;
  - (e) Changes to Regulations: a reference to any statute, regulation or rule includes all statutes, codes, regulations and rules amending, re-enacting, consolidating or replacing them, and a reference to a statute includes all regulations, rules, guidelines, codes, proclamations, ordinances and by laws issued under that statute and is to be taken to be subject to any waiver or exemption granted in respect of compliance with such statute, regulation or rule;
  - (f) Interpretation Act: subject as aforesaid, words or expression contained in the Constitution shall be interpreted in accordance with the provisions of the **Interpretation Acts, 1948** and **1967** of Malaysia, as amended from time to time and any reenactment thereof;
  - (g) Formats: The headings are inserted for convenience only and shall not affect the construction of this Constitution;

- (h) Clause: Reference to “**Clause**” or “**sub-Clause**” shall mean the respective provisions of the Constitution.

### Section 3. SHARES

7. Allotment of shares Subject to a resolution of the Company, the shares shall be at the disposal of the Directors who may, allot, grant options or other rights over shares, or otherwise dispose of the unissued share capital of the Company to such persons, such terms and conditions, with such rights as they think proper, *PROVIDED ALWAYS* that:
- (a) Special Rights: in the case of shares, other than ordinary shares, no special rights shall be attached until the same have been expressed in the Constitution and in the resolution creating the same and the Company shall recognise any special rights previously conferred on the holders of any existing shares or class of shares for each issue of shares;
  - (b) Controlling Interest: no shares shall be issued and/or allotted which shall have the effect of transferring a controlling interest in the Company without the prior approval of the Members in general meeting;
  - (c) Directors/Employees/Shareholders: *subject to any exemption in the Listing Requirements*, every issue and allotment of shares, securities or options to:
    - (i) employees, a Director, major shareholder, Executive Director; or
    - (ii) person connected with any Director, major shareholder or Executive Director,(hereinafter referred collectively to “**Interested Parties**”) shall not be made unless the Members in general meeting have approved of the specific allotment to be made to such aforesaid Interested Party, as the case may be.
8. Issue of preference shares The Company may issue preference shares on the terms that they are, or at the option of the Company are liable, to be redeemed subject to the terms of the Constitution and the Act *PROVIDED ALWAYS*:
- (a) The rights attaching to preference shares shall be expressed in its condition of issue.
  - (b) The holders of preference shares shall have the same rights as the holders of ordinary shares as regards (i) receiving notices, reports and audited financial statements and (ii) attending general meetings of the Company.
  - (c) Holders of preference shares shall (unless otherwise expressed in its conditions of issue), only have the right to vote (i) at any meeting convened for the purpose of reducing the capital, (ii) winding up, (iii) sanctioning a sale of the property, business and undertaking of the Company or (iv) where the proposition to be submitted to the meeting directly affects their rights and privileges, or (v) when the dividend on such shares is in arrears for more than 6 months and (vi) during the winding up of the Company.
  - (d) The Company may issue preference shares ranking equally therewith but shall not unless with the consent of the existing preference shareholders at a class meeting, issue, further preference capital ranking in priority above preference shares already issued.
9. Power to alter Share Capital by Ordinary Resolution Subject always to the respective rights, terms and conditions mentioned in in the Constitution and the Applicable Laws the Company shall have the power by passing a Special Resolution to alter its capital in the following ways:
- (a) In the manner expressed in **Section 84** of the Act;
  - (b) Variation: reduce the capital;
  - (c) Consolidation/division: to consolidate and/or divide all or any of its share capital including division into shares of larger or smaller amounts than its existing shares;
  - (d) New issue: to issue all or any part of the original or any additional capital as fully paid or partly paid shares, and/or with any special or preferential rights or privileges; and
  - (e) Alteration of Existing Rights: alter, modify, commute, abrogate or deal with any such rights, privileges, terms, conditions or designations in accordance with the Constitution for the time being of the Company.
10. Increase of Capital by Ordinary Resolution The Company may from time to time, whether all the shares for the time being issued shall have been fully called up or not, by ordinary resolution increase its share capital by the creation and issue of new shares, such new capital to be of such amount to be divided into shares of such respective amounts and to carry such rights or to be subject to such conditions or restrictions in regard to dividend, return of capital or otherwise as the Company may direct in the resolution authorising such increase *PROVIDED ALWAYS*:

Annual Limits of Issue	(a) Subject to the Applicable Laws, notwithstanding the existence of a resolution pursuant to Section 75(1) and 76(1) of the Act, the Company shall ensure that it shall not issue any shares or other Securities, when aggregated with the total number of any such shares or other Securities issued during the preceding twelve (12) months, exceeds 10% of the total number of issued shares (excluding treasury shares) of the Company, except where, the shares or Securities are issued with the prior approval of the shareholders in general meeting with a precise set of terms and conditions for the issue.
Waiver of extraordinary general meeting for further issues of shares	(b) Notwithstanding any provisions in the Constitution, and where there is still in effect a resolution approving the issuance of shares by the Company in accordance with the provisions of <b>Section 76</b> of the Act, the Company may apply to the relevant stock exchanges on which its shares are listed for waiver of convening an Extraordinary General Meeting to obtain shareholders' approval for further issues of shares (other than bonus or rights issues) where the aggregate issues of which in any one financial year do not exceed 10% of the issued capital.
Ranking of New Shares	(c) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards to participation in the profits or assets of the Company in some or in all respects pari passu therewith.
New Capital considered as original capital	(d) Except as otherwise provided by the conditions of issue, or by this Constitution, any capital raised by the creation of new shares, shall form part of the capital of the Company, and be subject to this Constitution.
11. No financial assistance	The Company shall comply with the Act in its prohibition against the giving of, (whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise) (collectively " <b>Financial Assistance</b> "), (a) any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company or in its holding company, and/or (b) a loan for any purpose whatsoever on the security of its shares or those of its holding company. Nothing in the Constitution shall prohibit transactions permitted by the Act in respect of matters related to Financial Assistance.
12. Power of paying Commission	<p>The Company (or the Board on behalf of the Company) may apply any of its shares or cash, either directly or indirectly, to pay commission to any person in consideration of the person:</p> <p>(a) subscribing or agreeing to subscribe, whether absolutely or conditionally, for shares in the Company; or</p> <p>(b) procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for shares in the Company,</p> <p>in an amount not exceeding 10% of the price at which the shares are issued and in accordance with the powers conferred on the Company in accordance with the provisions of Section 79 and 80 of the Act.</p>
13. Shares issued for purposes of raising money for the construction of works or building	Where any share are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a long period, the Company may pay interest on so much of such share capital as is for the time being paid up for the period and subject to the condition and restrictions mentioned in the Act, (including, Section 130 therein), and may charge the same to capital as part of the cost of construction of the works, buildings or plant.
14. Trusts not to be recognised	<p>Except as required by Applicable Laws and the holding upon trust by the Depository of the Deposited Securities under the provisions of SICDA:</p> <p>(a) no person shall be recognised by the Company as holding any share upon any trust; and</p> <p>(b) the Company shall not, even when having notice thereof, be bound or compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.</p> <p>The Company is empowered to require any Member or transferee prior to registration of transfer, to furnish (i) the nature of his shareholding and (ii) such particulars to enable the Company to identify the beneficial owners and the nature of their interest.</p>
15. Purchase by the Company of its own shares	The Company may, subject to its obtaining such approval from the relevant authorities (if required) and to its compliance with the Act and the other Applicable Laws, purchase its own shares. Any shares so purchased by the Company shall be dealt with in accordance with the provisions of the Constitution, Applicable Laws and any other relevant authorities.



16. Pre-emption Rights
- (1) Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or Securities to which they are entitled.
  - (2) If the Company issues such a direction the offer shall be made as follows:
    - (a) The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, shall be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company.
    - (b) The Directors may likewise so dispose of any new share or security which (by reason of the ratio which the new shares or securities bear to shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the Directors, be conveniently offered under this Clause.
17. Modification of class rights
- If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of shares of that class) may, be varied or abrogated with the consent in writing (whether or not the Company is being wound up, be varied or abrogated):
- (a) by the holders representing not less than 75% of the total voting rights of the shareholders of that class; or
  - (b) with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class.
18. Proceedings of meetings for Modification of Class Rights
- To every such separate general meeting for the modification of class rights, the provisions of the Constitution relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two (2) persons at least holding or representing by proxy one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll. The provisions of the Act on Special Resolutions (including **Section 292 of the Act**) shall with such adaptation as are necessary apply to Special Resolutions referred to in this Clause.
19. Disposal of shares of Members whose whereabouts are Unknown
- (1) In the event that after the exercise of reasonable diligence the Company is unable to discover the whereabouts of a Member for a period of not less than 10 years, the Company may cause an advertisement to be published in a newspaper circulating in the place shown in the Record of Depositors as the address of the Member stating that the Company after expiration of 30 days from the date of the advertisement intends to transfer the shares to the Minister charged with responsibility for finance.
  - (2) If after the expiration of 30 days from the date of the advertisement the whereabouts of the Member remains unknown, the Company may transfer the shares held by the Member in the Company to the Minister charged with responsibility for finance and for the purpose may execute for and on behalf of the Member a transfer of those shares to the Minister charged with responsibility for finance.

#### **Section 4. CERTIFICATES**

20. Issue of share certificates
- The Registrar shall only (unless otherwise directed by the Board) issue, jumbo certificates in respect of shares or Securities in favour of Bursa Depository, as he may be directed by the Securities Commission pending the crediting of shares or Securities into the Securities Account of the person entitled to such shares or Securities or as may be prescribed by the SICDA and the Rules PROVIDED ALWAYS that every certificate shall be issued under the Seal in such form as the Directors shall from time to time prescribe and shall:
- (a) bear the facsimile signature such person appointed by the Directors;
  - (b) specify the number and class of shares or Securities to which it relates; and
  - (c) the amounts paid thereon.

#### **Section 5. CALLS ON SHARES**

21. Calls on Shares
- The Directors may, subject to the provision of the Constitution, from time to time make such calls upon the Members in respect of all moneys unpaid on their shares and not by the conditions of allotment made payable at fixed times. Except in the case of calls payable at fixed times pursuant to the conditions of allotment, each Member shall be entitled to receive at least fourteen (14) days' notice specifying the date, time(s) and place of payment. A call may be revoked or postponed as the Directors may determine.
22. When call made
- A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed and may be required to be paid by instalments.

23. Directors may differentiate between holders The Directors may, on the issue of shares, differentiate between the holders of such shares as to the amount of calls to be paid and the time of payment of such calls.
24. Term of issue may be treated as call Any sum which by the terms of issue of a share is made payable on allotment or at any fixed date, shall for all purposes of the Constitution, be deemed to be a call duly made and payable on such fixed date, and in case of non-payment all the relevant provisions of the Constitution as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
25. Interest on calls in arrears
- (a) If a sum in respect of shares is not paid before or on the day appointed for payment thereof, the person from whom the sum is due, shall pay interest or compensation on the sum from the day appointed for payment thereof to the time of actual payment, at such rate, not exceeding 8% per annum, or such other rate as the Directors may determine but the Directors shall be at liberty to waive payment of such interest in whole or in part.
- (b) On the trial or hearing of any action for the recovery of any money due for any call, it shall be sufficient to prove that (a) the name of the Member sued is entered in the Register or is recorded in the Record of Depositors as the holder of the shares in respect of which such debt accrued, (b) the resolution making the call is duly recorded in the minutes book, and (c) the notice of such call was duly given to the Member used in pursuance of this Constitution.
- (c) It shall not be necessary to prove the appointment of the Directors who made such call, nor that the meeting at which any call made was duly convened and constituted nor any other matters whatsoever, and the proof of the matters aforesaid shall be conclusive evidence of the debt.
26. Calls to be fully paid before receiving dividend/exercising rights No Member shall be entitled to receive any dividend or to exercise any privilege as a Member (including have shares registered in its/his name) until it/he shall have paid all calls for the time being due and payable on every share held by it/him, together with interest and expenses (if any).
27. Payment of calls in advance The Directors may, if they think fit, receive from any Member willing to advance all or any part of the money payable in respect of any share held by him beyond the amount of the calls actually made thereon and upon all and any part of the money so advanced. The Company may (until the same would, but for the advance, become payable) pay or allow such interest at such rate not exceeding 8% per annum (unless the Company in general meeting shall otherwise direct) as may be agreed between the Member paying the sum in advance and the Directors. Such capital paid on shares in advance of calls shall not, whilst carrying interest, confer a right to participate in profits. Except in liquidation, sums paid in advance of calls shall not, until the same would but for such advance has become payable, be treated as paid up on the shares in respect of which they have been paid.

#### **Section 6. FORFEITURE AND SURRENDER OF SHARES**

28. Notice to pay calls If any Member fails to pay the whole or any part or instalment of any call on the day appointed for the payment thereof, the Directors may at any time there-after during such time as the call or any part of the call or instalment thereof remains unpaid, serve a notice on him requiring him to pay such call or such part thereof as remains unpaid, together with any interest at such rate not exceeding 8% per annum as the Directors shall determine, and any expenses that may have accrued by reason of such non-payment.
29. Period of notice The notice shall name a further day (not being less than fourteen (14) days from the date of service of the notice) on or before which, and the place where, the payment required by the notice 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.
30. Forfeiture for non-payment If the requirements of any such notice as 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 a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares, and not actually paid before the forfeiture.
31. Annulment of forfeiture A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Directors think fit.
32. Shares forfeited belongs to the Company Subject to the Applicable Laws, a share so forfeited or surrendered shall become the property of the Company and may be re-sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto, or to any other person upon such terms and in such manner as the Directors shall think fit. At any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit.

33. Liability on forfeiture Notwithstanding such forfeiture, such person remains liable to pay to the Company all moneys which, at the date of forfeiture or surrender were payable by him to the Company in respect of the shares (together with interest at the rate of 8% per annum from the date of forfeiture or surrender on all monies for the time being unpaid if the Directors think it fit to enforce payment of such interest). The said liability shall cease if and when the Company receives payment in full of all such moneys in respect of the shares.
34. Statutory Declaration as conclusive evidence (1) A statutory declaration in writing that the declarant is a Director or the Secretary of the Company, and that a share in the Company has been duly forfeited or surrendered or sold to satisfy a lien on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.  
(2) The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and the Directors may appoint any same person to execute a transfer of the share in favour of the person to whom the share is sold or otherwise disposed of.  
(3) The person acquiring the forfeited shares shall be registered as the shareholder, and shall not have his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or other disposal of the share.
35. Residue of Proceeds of Forfeiture Subject to any lien for sums not presently payable, if any, any residue of the proceeds of the sale of shares which are forfeited and sold, after the satisfaction of the unpaid calls or instalments payable at fixed times and accrued interest and expenses, shall be paid to the persons entitled to the shares immediately before the forfeiture thereof or his executors, administrators or assignees or as he directs.
36. Notice of forfeiture to be given and entered in the Record of Depositors Notice of the forfeiture shall forthwith be given to the holder of the share or to the person entitled to the Share by reason of the death or bankruptcy as the case may be. An entry of the forfeiture notice and the date thereof, shall forthwith be made in the Record of Depositors opposite to the share.
37. Extinction of all interest, claims & demands A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares. 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 shares as between the shareholder whose share is forfeited and the Company unless provided to the contrary by the Constitution and the Applicable Laws.

#### **Section 7. LIEN**

38. Company's lien on shares Subject to the Applicable Laws, the Company shall have a first and paramount lien on every share (not being fully paid share) for:  
(a) all money, whether presently payable or not, called or payable at a fixed time in respect of the particular share; and  
(b) for all other moneys presently payable by him or his estate to the Company,  
*PROVIDED ALWAYS* that the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Clause. Both liens shall have priority over all debts, obligations, engagements and liabilities of any such Member ("**Liabilities**") to or with any other person (notwithstanding that any such Liability was incurred or undertaken prior to the date when any monies owing as aforesaid for the lien conferred by this Clause was incurred).
39. Power to enforce lien by sale The Company may sell, in such manner as the Directors think fit, any share on which the Company has a lien, but no sale shall be made unless:  
(a) a sum in respect of which the lien exists is presently payable;  
(b) the expiration of fourteen (14) days after notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy.  
For the purposes of such sale:  
(i) the Directors may authorise some person to transfer the shares sold to the purchaser thereof or in the case of a share that is a Deposited Security, subject to the Applicable Law, authorise the Registrar to cause the Central Depository to credit the Securities Account of the purchaser of the share sold or otherwise in accordance with the directions of the purchaser.

- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer and he 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 the proceedings in reference to the sale or the remedy of the former holder of such share or of any person claiming under or through him in respect of any alleged irregularity or invalidity against the Company.
- (iii) the proceeds of any such sale after payment of the amount of interests and costs relating to the sale shall be applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (subject to a similar lien for sums not presently payable which exist over the shares before the sale) be paid to the person entitled to the shares at the date of the sale or his executors, administrators or assignees or as he directs.

40. Imposition of liability by law

Whenever any law for the time being of any country, state or place imposes or purports to impose any immediate or future or possible liability upon the Company to make any payment, or empowers any government or taxing authority or government official to require the Company to make any payment in respect of any shares registered in the Register of Depositors (as held by any Member or in respect of any dividend, bonus or other moneys due or payable or accruing due or which may become due or payable to such Member by the Company or in respect of any shares registered as aforesaid or for or on account or in respect of any Member) and whether in consequence of:

- (a) the death of such Member;
- (b) the non-payment of any income tax or other tax by such Member; or
- (c) any other act or thing,

the Company in every such case:

- (i) shall be fully indemnified by such Member or his executor or administrator from all liability;
- (ii) shall have a lien upon all dividends, bonuses and other moneys payable in respect of the shares registered in the Register and/or the Record of Depositors as held by such Member for (A) all moneys paid or payable by the Company in respect of the same shares or in respect of any dividend, bonus or other moneys as aforesaid thereon or for or on account or in respect of such Member under or in consequence of any such law together (B) with interest at the rate of 8% *per annum* thereon from date of payment to date of repayment and may deduct or set off against any such dividend, bonus or other moneys payable as aforesaid any moneys paid or payable by the Company as aforesaid together with interest as aforesaid;
- (iii) may recover as a debt due from such Member or his executor or administrator wherever constituted any moneys paid by the Company under or in consequence of any such law and interest thereon at the rate and for the period aforesaid in excess of any dividend, bonus or other money as aforesaid then due or payable by the Company to such Member

**Section 8. TRANSFER OF SHARES**

41. Execution of transfer

The transfer of any listed securities of the Company, which have been deposited with the Bursa Depository shall be by way of book entry by the Bursa Depository in accordance with the Rules and the Act and the Company shall be precluded from registering and effecting any transfer of the securities (or class of securities) notwithstanding the requirements of the Act.

**Section 9. TRANSMISSION OF SHARES**

42. Death of holder of shares

- (1) Any person becoming entitled to a share which is a Deposited Security in consequence of the death or bankruptcy of a Member may apply to the Central Depository to transfer the shares into his Securities Account supported by the relevant documents and in accordance with the SICDA and/or the Rules.
- (2) The said person shall deliver or send to the Company and Central Depository a written notice signed by him expressing his aforesaid intention provided that notice in writing thereof has been given to the Company subject to the Applicable Laws.
- (3) A person becoming entitled to a share by reason of the death or bankruptcy of the holder thereof shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not before being registered as a Member in respect of the share be entitled to exercise any right conferred by membership in relation to meetings of the Company.

- (4) Provided further always that the Directors 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 thirty (30) days the Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.
- (5) The Company shall be entitled to charge a fee as determined by the Directors or such sum as may from time to time be permitted by the law and the Exchange in respect of the registration of every probate, letter of administration, certificate of death or marriage, power of attorney or other instrument relating to or affecting the title to the shares. All such fees shall be paid in advance before registration.
- (6) Subject to the provisions of the Act and other Applicable Laws, where two or more persons are jointly entitled to any securities in consequence of the death of the holder they shall, for the purposes of this Constitution, be deemed to be joint holders of the securities.

43. Transmission of Securities from Foreign 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 SICDA or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act 1998, as the case may be, under the Rules in respect of such securities

the Company shall, upon 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.

**Section 10. CONVERSION OF SHARES INTO STOCKS**

44. Conversion of shares into stocks

The Company may at a meeting of Members convert any paid-up shares into stock, and reconvert any stock into paid up shares of any denomination. All such provisions of the Constitution as are applicable to paid-up shares shall apply to stock and in all such provisions the word "share" shall include "stock" and the word "shareholder" and "member" shall include "stockholder".

45. Transfer of stock

The stockholders may transfer the same or any part thereof in the same manner and subject to the same in the Constitution and subject to which the shares from which the stock arose might, before the conversion, have been transferred or as near thereto as circumstances admit; provided however that the Directors may from time to time, if they think fit, fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of that minimum.

46. Participation in dividends and profits

The stockholders shall confer the same privileges and advantages, with regards to dividends, participation in assets on a winding up, voting at meetings of Members and other matters as would have been conferred by the shares from which the stock arose, but so that none of such privilege or advantages, (except participation in dividends and profits of the Company and in assets on a winding up) shall be conferred by an amount of the stock which would not, if existing in shares, have conferred such privilege or advantage.

**Section 11. GENERAL MEETINGS**

47. Meeting of Members

Meetings of Members may be held at such time and in such place as the Directors may determine.

48. Annual General Meeting

An annual general meeting of the Company shall be held once in every calendar year within six (6) months of the Company's financial year end and not more than fifteen (15) months after the holding of the last preceding annual general meeting.

49. Agenda of Annual general meetings

Each annual general meeting shall be held to transact the following business ("**Agenda Items**"):

- (a) Financials: the laying of audited financial statements and the reports of the directors and auditors;
- (b) Directors Appointment: the election of directors;
- (c) Directors Fees: the appointment and the fixing of the fee of directors;
- (d) Act: any resolution or other business of which notice is given in accordance with this Act or the Constitution; and
- (e) Auditors: the appointment of, and the fixing of the remuneration of the auditors (as required by the Listing Requirements).

General Mandate

In addition to the foregoing, subject to Applicable Laws, and the Constitution, 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.

50. Extraordinary general meeting

All general meetings other than annual general meetings shall be called extraordinary general meetings.

51. Convening Extraordinary general meetings
- Extraordinary general meeting may be convened:
- (a) by the Directors whenever they think fit; or
  - (b) on any requisition made in accordance with the provisions on the Act; or
  - (c) if the Company makes a default in convening a meeting in compliance, with a requisition received pursuant to **Section 311** of the Act, a meeting may be convened by such requisitionists in the manner provided in **Section 313** of the Act. Any meeting convened by requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Directors.
52. Notice of meetings
- (1) Every notice of a general meeting shall specify:
    - (a) the place, date and time of the meeting;
    - (b) the general nature of business of the meeting;
    - (c) text of any proposed resolution and other information as the Directors deem fit;
    - (d) every meeting convened for passing a Special Resolution shall state the intention to propose such resolution as a Special Resolution and the text of the resolution;
    - (e) in respect of the notice of a meeting called to consider special business, a statement regarding the effect of any proposed resolution in respect of such special business.
  - (2) Notice shall be given:
    - (a) at least fourteen (14) days before the meeting; or
    - (b) at least twenty-one (21) days before the meeting where (A) any Special Resolution is to be proposed or (B) it is an annual general meeting;
  - (3) The notice of meeting shall be communicated as follows:
    - (a) given in writing to:
      - (i) every Member with a registered address or an address for service of notices in Malaysia (including every person entitled to a share in consequence of the death or bankruptcy of a Member who, but for his death or bankruptcy, would be entitled to receive notice of the meeting);
      - (ii) the auditors for the time being;
      - (iii) the Directors;
      - (iv) the Exchange; and,
    - (b) where (A) any Special Resolution is proposed or (B) it is the annual general meeting, advertised in at least one (1) nationally circulated Bahasa Malaysia or English daily newspaper.
  - (4) For the purposes of this Clause, the notice shall be exclusive of the day on which it is served or deemed to be served and the day of the meeting.
53. Issuance of Notice
- (1) Subject to the Applicable Laws and any other relevant authorities, if any, the Company may send notice of a general meeting (together with its annual report or any documents required to be sent under the Listing Requirements) or any other form communication in the following manner ("**Notice**"):
    - (a) in hard copy;
    - (b) in electronic form;
    - (c) partly in hard copy and electronic form; or
    - (d) by other methods agreed between the Company and members or as permitted by the Act.
  - (2) A Notice given in hard copy shall be sent to any Member either personally or by post to the address supplied by the Member;
  - (3) A Notice sent via electronic means shall be made as follows:
    - (a) Email: emailing its securities holders to an address provided by its Members to the Registrar; or

- (b) Website: publishing on a designated website link, provided it notifies its securities holders separately in writing in hard copy, (i.e. via letter or notification) or by way of electronic means, (which includes electronic mail, short messaging service, or any other form of communication permitted under this Clause) for purposes of written notification, about the publication and designated website link to download the relevant Notice. Each publication on the website must comply with with **Section 320** of the Act.
- (4) If the Company sends the Notice through electronic mail, there must be proof of electronic mail delivery. In the event of delivery failure, the Company shall make alternative arrangements for service by serving the Notice to the respective securities holders in hard copy, or in electronic format such as CD-ROM, USB drive or any other portable electronic format whatsoever (whether available now or in future).
- (5) The contact details of the securities holders as contained in the Record of Depositors for the time being shall be deemed as the last known addresses provided by the securities holders to the Company for purposes of the communication by email with the securities holders.
- (6) Notwithstanding the aforesaid electronic means of communication, if any securities holder requests for a hard copy, the Company shall forward a printed hard copy of the Notice to the securities holder within four (4) market days from the date of receipt of the request, free of charge.
- (7) Where it relates to a Notice required to be completed by securities holders, including a rights issue or offer for sale, the Company must send the Notice in the manner as the Exchange may prescribe from time to time, or in the absence of which such documents shall be issued in the manner set out in this Clause.
54. Record of Depositors
- (1) The entitlement to receive Notices for a meeting of Members 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 SICDA and the Rules.
- (2) The Company shall also request the Bursa Depository in accordance with the Rules, to issue a Record of Depositors as at the latest date which is reasonably practicable which shall in any event be not less than 3 market days before the general meeting ("**the General Meeting Record of Depositors**").
- (3) Subject to the **Securities Industry (Central Depositories) (Foreign Ownership) Regulations, 1996** (where applicable) and notwithstanding any provision in the Act, 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.
55. Business at general meetings
- Subject always to the provisions of the Act, no business shall be transacted at a general meeting except business of which notice has been given in the notice convening the meeting with the exception of the matters directed by the Constitution and Applicable Laws.
56. Right to appoint proxy
- In every notice calling a meeting of Members there shall appear with reasonable prominence, a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him, and that a proxy need not also be a Member and that where a Member appoints more than one proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy. A proxy appointed to attend and vote at a meeting shall have the same rights as the Member to participate, speak and at the meeting.
57. Omission to give notice
- The accidental omission to give notice of any meeting to or the non-receipt of the notice of a meeting by, any person entitled to receive notice shall not invalidate any resolution passed or proceedings held at any such meeting.
58. Call of meetings by shorter notice
- A meeting shall, notwithstanding that it is called by notice shorter than is required by the Constitution, be deemed to be duly called if it is so agreed:
- (a) in the case of a meeting called as the annual general meeting, by all the Members entitled to attend and vote thereat; or
- (b) in the case of any other meeting, by a majority in number of the Members having a right to attend and vote thereat, being a majority which together holds not less than 95% of the shares giving a right to attend and vote.
59. Resolution requiring special notice to the Company
- Where special notice is required of a resolution under any provision of the Act, the resolution shall not be effective unless notice of the intention to move it has been given to the Company at least twenty eight (28) days before the meeting at which it is moved and the provisions of Section 322 of the Act shall be complied with.

## **Section 12. PROCEEDINGS AT GENERAL MEETINGS**

60. Special business
- All business that is transacted at any extraordinary general meeting and annual general meeting shall be deemed special, with the exception of the Agenda Items.

61. Quorum Two (2) Members present in person or by proxy, (*or, in the case of corporations which are members, present by their representatives*) appointed pursuant to the provision of the Constitution and entitled to vote shall be a quorum. No business shall be transacted at any meeting of Members unless a quorum is present at the time when the meeting proceeds to business. Each Member shall be reckoned in a quorum in respect of shares fully paid and in respect of partly paid shares where calls are not due and unpaid.
62. Adjournments due to lack of quorum If within half an hour after the time appointed for the meeting a quorum is not present, the meeting:
- (a) if convened by or upon the requisition of Members, shall be dissolved;
  - (b) if otherwise convened, it shall stand adjourned to the same day in the next week (*or if that day be a public holiday, then to the next business day following such public holiday*), at the same time and place or to such other day and at such other time and place as the Directors may determine.
  - (c) If quorum is not present within half an hour from the time appointed for holding the adjourned meeting the Member or Members present at an adjourned meeting shall form a quorum.
63. Chairperson of the general meeting The appointment of the chairperson at every general meeting of the Company shall be appointed as follows:
- (a) The Chairman of the Board, if any, or in his absence the Deputy Chairman of the Board, if any, shall preside as the chairperson;
  - (b) If there be no such Chairman or Deputy Chairman, or if neither of them be present within fifteen (15) minutes after the time appointed for holding the meeting, or both of them shall decline to take or shall retire from the chair, the Directors present shall choose one of their number to act as chairperson of such meeting.
  - (c) If there be no Director chosen who shall be willing to act, the Members present in person or by proxy and entitled to vote shall choose one of their Members to act as chairperson at such meeting.
  - (d) The election of the Chairman shall be by a show of hands. No business except the election of the chairperson or the adjournment of the meeting shall be transacted or discussed at any general meeting which the Chair is vacant.
64. Chairman's Rights and Responsibilities
- (1) Without prejudice to any other power which the Chairman may have, under the provisions of the Constitution and Applicable Laws, the Chairman shall have full discretion and decision on matters of procedure or arising accidentally from the business of such meetings shall be final, as shall be his determination as to whether any matter is of such a nature.
  - (2) The Chairman may also at his discretion and in accordance with applicable laws, decides whether to admit new business at a meeting of shareholders.
  - (3) The Chairman may, at a meeting:
    - (a) if so directed by the meeting and with the consent of the Members at the meeting at which a quorum is present, adjourn the meeting from time to time and from place to place;
    - (b) Without prejudice to the generality of the sub-Clause above, the chairman of a meeting of Members may adjourn a meeting of Members to another time and place or interrupt or suspend the meeting of Members, in each case, without the consent of the meeting and without having to give any reason therefor, if it appears to him that:
      - (i) it is likely to be impracticable to hold or continue to hold the meeting because of the number of Members wishing to attend who are not present;
      - (ii) the unruly conduct of persons attending the meeting prevents or is likely to prevent the orderly continuation of the business of the meeting; or
      - (iii) an adjournment is otherwise necessary so that the business of the meeting may be properly convened.
  - (4) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.



### Section 13. VOTE OF MEMBERS

65. Members' votes Subject to any rights or restrictions for the time being attached to any class or classes of shares, at meetings of Members or classes of members, each Member personally present or by proxy shall one vote for every share held by it/him such that:
- (a) on a show of hands, every person present entitled to vote (who a holder of ordinary shares or preference shares is, or a member's representative or proxy or attorney and, if a corporation is present by a duly authorised representative or by proxy or attorney), shall be entitled to one vote on any question at any general meeting; and
  - (b) in the case of a poll, every Member present in person or by proxy or by attorney or other duly authorised representative, shall have one vote for every share held by him.
66. Voting on resolutions by Poll
- (1) At any meeting of members, a resolution put to the vote of the meeting shall be decided on a show of hands unless a vote by polls is required by:
    - (a) Listing Requirements;
    - (b) any resolution set out in the notice of any meeting of Member; or
    - (c) in any notice of resolution which may properly be moved and is intended to be moved at any general meeting,
  - (2) Save as otherwise required above, a poll may be demanded before or on the declaration of the result of the show of hands by:
    - (a) by the chairperson of the meeting;
    - (b) by at least three (3) Members present in person or by proxy or attorney;
    - (c) by any Member or Members present in person or by proxy or power of attorney representing not less than one-tenth (1/10th) of the total voting rights of all the Members having the right to vote at the meeting (excluding any voting rights attached to shares in the Company held as treasury shares); or
    - (d) by a Member or Members holding shares in the Company conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth (1/10th) of the total sum paid up on all the shares conferring that right (excluding shares in the Company conferring a right to vote on the resolution which are held as treasury shares).
  - (3) Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken forthwith.
  - (4) A demand for a poll may be withdrawn, except for those required to be voted by poll under Listing Requirements or the other Applicable Laws.
67. Proxies' right to demand a poll The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to demand, or join in demanding a poll, and, a demand by a person as proxy for a Member shall be the same as a demand by the member.
68. Evidence of passing of resolutions Subject to this Constitution, a declaration by the Chairman of the meeting that a resolution has been carried or lost, or has not been carried by any particular majority, and an entry to that effect in the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number, proportion or validity of the votes, recorded in favour of or against such resolution.
69. Appointment of scrutineer
- (1) If a poll is duly demanded it shall be taken in such manner as the chairperson of the meeting may direct and at least one (1) scrutineer must be appointed to validate the votes cast at the general meeting. The appointed scrutineer must not be an officer of the Company or its related corporation, and must be independent of the person undertaking the polling process. The Chairman of the meeting may fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
  - (2) The poll may be conducted manually using voting slips or electronically using various forms of electronic devices. Such votes shall be counted by the poll administrator, and verified by the scrutineer, as may be appointed by the Company for the purpose of determining the outcome of the resolution(s) to be decided on poll.
70. Counting of votes If any votes shall have been counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless:
- (a) it be pointed out at the same meeting or at any adjournment thereof; or
  - (b) in the opinion of the chairperson, at the meeting or any adjournment thereof as the case may be, it shall be of sufficient importance to vitiate the result of the voting.
- 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.

71. Chairman's casting vote In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, as the case may be, shall have a second or casting vote in addition to the vote or votes to which he may be entitled as a Member.
72. Members' Resolution in writing (1) A resolution in writing signed by all the Members of the Company or their agents authorised in writing shall (except where a meeting is prescribed by the Applicable Laws) be as valid and effectual as if it had been passed at a meeting of the Members duly convened and held, and such resolution may consist of several documents in like form each signed by or on behalf of one or more members.
- (2) In the case of a corporate body which is a Member of the Company such resolution may be signed on its behalf by two (2) of its Directors or by any person (whether identified by name or by reference to the holding of any particular office) duly authorised by such corporate body by resolution of its Directors or other governing body or by Power of Attorney to sign resolution on its behalf.
73. Multiple right to Vote A person entitled to more than one vote need not use all his votes or, cast all the votes he uses on a poll in the same way.
74. Shares of different monetary denominations Where the capital of the Company consists of shares of different monetary denominations, voting rights shall be prescribed in such manner that a unit of capital in each class, when reduced to a common denominator, shall carry the same voting power when such right is exercisable.
75. Votes of corporation Any corporation which a Member of the Company is may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at a particular meeting of the Company, or at all meetings of the Company or any either class of Members. The person so authorised shall, in accordance with his authority and until his authority is revoked by the corporation, be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company.
76. Votes of Members of unsound mind Any Member being of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorder may vote by his committee, or by such other person who properly has the management of his estate. Any one of such person may vote either personally or by proxy or by attorney provided such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than 48 hours before the time appointed for holding the meeting.
77. Votes of legal personal representatives of members The legal personal representative of a deceased Member or the person entitled to any share in consequence of the death or bankruptcy of any Member may vote at any general meeting in respect thereof in the same manner as if he was the registered holder of such shares provided that 48 hours at least before the time of holding the meeting or adjourned meeting, (or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, as the case may be), at which he proposes to vote, he shall satisfy the Directors of his right to any share in consequence of the death or bankruptcy of any Member unless the Directors shall have previously admitted his right to vote in respect thereof.
78. Members in default No Member shall be entitled to be present or to vote at any meeting of Members or to exercise any privilege as a Member nor be counted as one of the quorum unless all calls or other sums immediately payable by him in respect of shares in the Company have been paid.
79. Voter's qualification No objection shall be raised in respect of 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 shall be referred to the Chairman at the meeting, whose decision shall be final and conclusive.

#### **Section 14. PROXY**

80. Instrument of proxy The appointment of a proxy shall be governed by the following terms:
- (a) An instrument appointing a proxy shall be in writing under the hand of the Member or of his attorney duly authorised in writing (or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised) in the form stipulated by the Company;
- (b) The Directors may, but shall not be bound to require evidence of the authority of any such attorney or officer;
- (c) A proxy may but need not be a Member of the Company;
- (d) There shall be no restriction as to the qualification of the proxy;
- (e) The instrument appointing a proxy authorises the proxy to demand or join in demanding a poll;
- (f) A proxy may vote only as directed in the proxy form. If the appointor or representative attend and vote on a resolution, the proxy or attorney must not vote.

81. Omnibus account Where a Member of the Company in an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“**omnibus account**”), there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds. Where a Member entitled to vote on a resolution has appointed more than one (1) proxy, the proxies shall only be entitled to vote on a poll provided that the Member specifies the proportion of his shareholdings to be represented by each proxy.
- An ‘**Exempt Authorised Nominee**’ refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of **subsection 25A** of **SICDA**.
82. Form of proxy (1) The instrument appointing a proxy shall be in the following form or in such other form as the Directors may from time to time prescribe or approve:
- SEG INTERNATIONAL BHD
- I/We, \_\_\_\_\_, of \_\_\_\_\_ being a member/Members of SEG International Bhd, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him/her, \_\_\_\_\_ of \_\_\_\_\_ or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the [annual or extraordinary, as the case may be] general meeting of the Company, to be held at [place of the meeting] on the [ ] day of [month] [year] at [time of the meeting], and at any adjournment thereof.
- This form is to be used \* in favour of / against the resolution
- \* Strike out whichever is not desired. [Unless otherwise instructed, the proxy may vote as he thinks fit.]
- Deposit of proxy (1) The instrument appointing a proxy, with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority, shall be deposited at the Office or at such other place within Malaysia or in such other manner as is specified for that purpose in the notice convening the meeting, not less than forty eight (48) hours before the time appointed for holding the meeting or adjourned meeting, as the case may be, at which the person named as proxy in such instrument proposes to vote, (or in the case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll); failing which, in default thereof the instrument of proxy shall not be treated as valid.
83. Appointment of proxy via electronic communication Subject to the Applicable Laws, the Directors or any agent of the Company so authorised by the Directors, may accept the appointment of proxy received by electronic communication on such terms as they consider fit including:
- (a) The Directors may require such reasonable evidence they consider necessary to determine:
- (i) the identity of the Member and the proxy; and
- (ii) where the proxy is appointed by a person acting on behalf of the member, the authority of that person to make the appointment;
- (b) The appointment of proxy by electronic communication must be received at the electronic address specified by the Company in any of the following sources and comply with any terms and conditions specified therein:
- (i) Notice calling the meeting;
- (ii) Instrument of proxy sent out by the Company in relation to the meeting; or
- (iii) Website maintained by or on behalf of the Company.
- An appointment of proxy by electronic communication which is not made in accordance with this Clause shall be invalid.
84. Proxy irrevocable unless notice received by the Company A vote given in accordance with the terms of an instrument of proxy or attorney shall be valid, notwithstanding the:
- (a) previous death or unsoundness of mind of the principal; or
- (b) revocation of the instrument of proxy, or of the authority which the instrument of proxy was executed; or
- (c) the transfer of the share in respect of which the instrument of proxy is given,
- provided that no intimation in writing of such death, unsoundness of mind, revocation or transfer shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting (or in the case of a poll, before the time appointed for the taking of the poll) at which the instrument is used. Subject to the foregoing, a poll or vote taken by a proxy shall, notwithstanding that it is exercised otherwise than in accordance with instructions of the appointer, be valid and binding on the appointer, and the Company shall not be under any obligation to ensure or verify that a proxy voting at a meeting of Members shall vote or had voted in accordance with the instructions indicated in the instrument of proxies.

## Section 15. DIRECTORS

85. Number of Directors The business and affairs of the Company shall be managed by the Board who are appointed by the shareholders in general meeting and such Board shall consist of not less than two (2) persons (unless otherwise determined by the Company in general meeting, the Constitution and the Listing Requirements).
86. Share qualification of the Directors The shareholding qualification for Directors may be fixed by the Company in general meeting and until so fixed no shareholding qualification for Director shall be required.
87. Rotation and retirement of Directors
- (1) 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, PROVIDED ALWAYS that all the Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election and an election of Directors shall take place each year.
  - (2) A retiring Director shall be eligible for re-election and shall retain office until the close of the meeting at which he retires.
  - (3) The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. The length of time a Director has been in office shall be computed from his last election or appointment when he has previously vacated office.
88. Independent Directors/ Two-tier voting
- (1) The Board shall have such number of Independent Directors as may be required under the Applicable Laws.
  - (2) An Independent Director (*as defined by the Listing Requirements*), who has served for a cumulative term of nine (9) years, shall provide justification and seek shareholders' approval for his continued service as Independent Director and the resolution shall be passed by way of an ordinary resolution.
  - (3) If the Board continues to retain the Independent Director after the twelfth (12th) year, the Company shall seek shareholders' approval for his continued service as Independent Director through a two-tier voting process as defined by the **Malaysian Code on Corporate Governance** or other process as may be agreed by the shareholders.
89. Notice of nomination of Director No person, not being a retiring Director, shall be eligible for election to the office of Director at any general meeting unless:
- (a) a Member intending to propose him has, at least eleven (11) clear days before the meeting, left at the Office of the Company a notice in writing duly signed by the nominee, giving consent to the nomination and either signifying his candidature for the office, or signifying the intention of such Member to propose him. The cost of serving the notice to propose the election of a Director where a Member or Members make the nomination, shall be borne by the Member or Members making the nomination;
  - (b) in the case of a person recommended by the Directors for election, nine (9) clear days' notice only shall be necessary.
  - (c) Notice of each and every candidature for election to the Board of Directors shall be served on the registered holders of shares at least seven (7) days prior to the meeting at which the election is to take place.
90. When the retiring Director deemed re-elected
- (1) The Company at the meeting at which a Director retires under any provision of the Constitution may fill the vacated office by electing a person thereto. Unless at that meeting it is expressly resolved not to fill the vacated office, or a resolution for re-election of the Director retiring at that meeting is put to the meeting and lost, or some other person is elected a Director in place of the retiring Director.
  - (2) The retiring Director shall, if offering himself for re-election and not being disqualified under the Act from holding office as a Director, be deemed to have been re-elected. A retiring Director shall be deemed to have offered himself for re-election unless he has given notice in writing to the Company that he is unwilling to be re-elected
91. No appointment of Directors by single resolution At a general meeting at which more than one (1) Director is to be elected, each candidate shall be the subject of a separate motion and vote unless a motion for the appointment of two (2) or more persons as Directors by a single resolution shall have first been agreed to by the meeting without any vote being given against it.
92. Number may be increased or decreased The Company may from time to time by resolution passed at a meeting of Members:
- (a) increase or reduce the number of Directors; and
  - (b) determine in what rotation the increased or reduced number is to go out of office.

93. Alternate Directors
- (1) A Director may appoint a person approved by a majority of his co-Directors to act as his alternate Provided That any fee paid by the Company to the alternate shall be deducted from that Director's remuneration. The alternate Director shall be entitled to notices of all meetings and to attend, speak and vote at any such meeting at which his appointor is not present. Any appointment so made may be revoked at any time by the appointor or by a majority of the Directors, and any appointment or revocation under this Clause shall be effected by notice in writing to be delivered to the Secretary of the Company. An alternate Director shall ipso facto cease to be an alternate Director if his appointor for any reason ceases to be a Director.
  - (2) If any Director retires by rotation and is re-elected by the meeting or is, pursuant to this Constitution, deemed to be re-elected at the meeting at which such retirement took effect, any appointment made by him of an alternate Director which was in force immediately prior to the appointor's retirement shall continue to operate after such re-election as if the appointor had not so retired.
  - (3) A Director may appoint a person to act as his alternate provided that such person is not a Director of the Company and such person does not act as an alternate for more than one (1) Director of the Company.
  - (4) A Director shall not be liable for the acts and defaults of any alternate Director appointed by him.
  - (5) An alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote.
94. Removal of Directors
- (1) The Company may by resolution of the members at general meeting of which special notice has been given to remove any Director before the expiration of his period of office (notwithstanding any provisions of the Constitution or of any agreement between the Company and such Director but without prejudice to any claim he may have for damages for breach of any such agreement).
  - (2) The Company may by resolution of the members at general meeting appoint another person in place of a Director so removed from office and any person so appointed shall be subject to retirement by rotation at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director. In default of such appointment the vacancy so arising may be filled by the Directors as a casual vacancy.
95. Vacancy in Board
- The Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.
96. Remuneration
- The fees and any benefits payable to the Directors (including any increase or other variation, or any compensation for loss of employment of a Director) shall be subject to shareholder approval at annual general meeting of Members and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree. Any Director holding office for a part of a year shall be entitled to a proportionate part of such fees. The fees shall be determined subject to the following:
- (a) Executive Director: Any Director who is appointed to any executive office including Chairman or who serves on any committee shall, subject to the terms of any agreement (if any) entered into in any particular case, receive such remuneration (whether by way of salary, participation in profits, or partly in one way and partly in another) as the Directors may from time to time determine, *provided however that their salary shall not include a commission on or a percentage of turnover of the Company.*
  - (b) Non-Executives: Fees payable to *non-executive* Directors shall be a fixed sum, *not by a commission on, or percentage of, profits or turnover of the Company* and which shall not exceed the amount approved by the shareholders in general meeting.
97. Reimbursement and special remuneration
- (1) The Directors shall be entitled to be reimbursed for all travelling or such reasonable expenses as may be incurred in attending and returning from meetings of the Company or the Directors, committees of the Company or Directors, or which they may otherwise incur in connection with the Company's business.
  - (2) If any Director being willing shall be called upon to perform extra services, to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company, or in giving special attention to the business of the Company as a Member of a committee of Directors, the Company may remunerate the Director so doing either by a fixed sum or otherwise (*other than by a sum to include a commission on or percentage of turnover or profits*) as may be determined by the Board.

98. Vacation of office of Directors
- The office of Director shall, ipso facto, be vacated if he or she:
- (a) Ceases to be a Director by virtue of Section 208 of the Act;
  - (b) Ceases to be, is disqualified or prohibited from being a Director by virtue of any other provision of the Act and the other Applicable Laws;
  - (c) is absent from more than 50% of the total board of directors' meetings held during a financial year of the Company, except when an exemption or waiver is obtained from the Exchange;
  - (d) has been convicted in relation to the offences as follows:
    - (i) by a court of law, whether within Malaysia or elsewhere, in connection with the promotion, formation or management of a corporation;
    - (ii) by a court of law, whether within Malaysia or elsewhere, involving fraud or dishonesty or where the conviction involved a finding that he acted fraudulently or dishonestly; or
    - (iii) by a court of law, under the securities laws of the corporations laws of the Company's place of incorporation;
- 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" includes, the **Capital Markets and Services Act 2007, SICDA and Securities Commission Act 1993.**

### Section 16. POWERS AND DUTIES OF DIRECTORS

99. Powers and duties of Directors
- The business and affairs of the Company shall be managed by or under the direction of the Board. The Board has all the powers necessary for managing, directing and supervising the management of the business and affairs of the Company subject to any modification, exception or limitation contained in the Applicable Laws or the Constitution. The Board shall be entitled to receive notice of and to attend and speak at all general meetings of the Company.
100. Transactions of Substantial Value / Connected Transactions
- The Directors shall always comply with the Act in relation to undertaking any transactions related to substantial parts of the Company's assets, property or undertakings, as well as, entering into any transactions connected with a Director.
101. Duty to keep register of charges
- The Directors shall cause to be kept such registers as may be set out in the Constitution and/or as may be prescribed by the Act.
102. Establishment and maintenance of any pension, superannuation fund or life assurance schemes for the benefit of the employees of the Company
- (1) The Directors may procure the establishment and maintenance of any non-contributory or contributory pension or superannuation fund or life assurance scheme ("**Benefits Program**") for the benefit of, and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, benefits or emoluments to:
    - (a) any persons who are or shall have been at any time in the employment or service of the Company or any associated company;
    - (b) to any persons who are or have been a Director or other officer of and holds or have held salaried employment in the Company or any associated company; or
    - (c) the wives, widows, families or dependants of any such persons.
103. Other Benefits for Employees and connected person(s)
- In addition to the Benefits Program, the Directors may also:
- (a) procure the establishment and subsidy of or subscription and support to any institutions, association, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid or of its Members; and
  - (b) make payment for or towards any hospital or scholastic expenses, or insurance of any such persons as aforesaid; and
  - (c) procure subscriptions or guarantees of money for charitable or benevolent objects or for any exhibitions or for any public, general or useful object.

*PROVIDED THAT* any Director holding such salaried employment shall be entitled to retain any benefit received by him hereunder subject only where the Act requires, to proper disclosure to the Members of the Company in general meeting.

In this Clause the expression "*the associated company*" shall include any company which is the holding company of the Company or a subsidiary of the Company or of any such holding company or which in the opinion of the Directors can properly be regarded as being connected with the Company or with any such company as aforesaid.

104. Director's power to appoint attorney of the Company  
The Directors may from time to time, and at any time, by power of attorney, appoint any corporation, firm or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Directors under this Constitution) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.
105. Right to hold other office under the Company  
*Save for holding the office of auditor*, a Director may hold any other office or place of profit under the Company in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine.
106. Right to payment for professional services  
Unless prohibited by the Applicable Laws, any Director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for his or his firm's professional services as if he was not a Director, provided that:
- (a) a Director or his firm shall not be authorised to act as auditor of the Company; and
  - (b) such professional services shall be provided at normal commercial terms
107. General duty to make disclosure  
Every Director shall give notice to the Company of such events and matters relating to himself as may be necessary or expedient to enable the Company and its officers to comply with the requirements of the Act.

### Section 17. BORROWING POWERS

108. Directors' borrowing power  
  - (1) The Directors may from time to time at their discretion raise, incur liability, assume indebtedness or borrow monies as they think proper (collectively "**Indebtedness**").
  - (2) The Directors may secure the repayment of the Indebtedness ("**Security**") in such manner and upon such terms and conditions as they think fit including issue bonds, perpetual or redeemable, debentures or debenture stock, or other Securities, and/or any mortgage, guarantee, charge or security on the undertaking of the whole or any part of the assets or property of the Company (both present and future) or any other similar instrument with similar terms, including its uncalled capital from time to time);
  - (3) The Directors may exercise all of the powers of the Company in the ordinary course of the Company's business to guarantee the payment of any monies payable under contracts or obligations of any company or of any person whomsoever whether corporate or unincorporated with or without Securities.
109. Third Party Liability  
The Directors shall not incur any Indebtedness and/or grant any Security for an unrelated third party.
110. Indemnity to be given  
If the Directors or any of them, or any other person, shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

### Section 18. PROCEEDINGS OF DIRECTORS

111. Directors' meeting  
The Directors may meet together for the despatch of business at such time and place, adjourn and otherwise regulate their meetings and proceedings as they think fit. 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 discretion by or under the Constitution vested in or exercisable by the Directors generally.
112. Notice of meeting  
Unless otherwise determined by the Directors from time to time, notice of all Directors' meetings shall be given and circulated to all Directors and their alternates as follows:
- (a) Seven (7) days' notice of all Directors' meetings shall be given and circulated to all Directors (*by electronic form or any other manner as may be approved by the Directors*). Any Director may waive notice of any meeting either prospectively or retrospectively;
  - (b) Except in the case of an emergency, reasonable notice of every Directors' meeting shall be given in writing. The majority of the Board may waive notice of any meeting and any such waiver may be prospective or retroactive;
  - (c) It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from Malaysia;
  - (d) Any irregularity in the notice of meeting is waived if all Directors entitled to receive notice of the meeting attend the meeting without objection to the irregularity;
  - (e) A Director may at any time and the Secretary shall on the requisition of a Director summon a meeting of the Directors. All meetings of the Directors shall be held in Malaysia or in such other place as the Directors shall from time to time appoint.

113. Quorum A quorum of two (2) Directors or such other number as may be fixed by the Board from time to time shall be necessary for the transaction of the business of the Directors. 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 discretion by or under the Constitution vested in or exercisable by the Directors generally.
114. Number reduced below quorum The continuing Directors or sole continuing Director may act notwithstanding any vacancy in their body. If and so long as their number is reduced below the number fixed by or pursuant to the Constitution as the necessary quorum of Directors, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Company, but for no other purposes except in an emergency. Any Director so appointed shall hold office only until the next following annual meeting of Members, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.
115. Participation at Directors' meetings by way of telephone and video conferencing Notwithstanding any provisions to the contrary contained in these regulations, but subject to the Applicable Laws, any Director may participate at a meeting of Directors by way of telephone and/or video conferencing or by means of other communication equipment ("**Electronic Communication**") whereby all persons participating in the meeting are able to hear each other in which event such Director shall be deemed to be physically present at the meeting. All provisions of the Constitution as to meetings of the Directors will apply to such meeting involving Electronic Communication together with fulfilment of the following conditions:
- (a) At the commencement of the meeting each Director acknowledges his presence thereof to all the other Directors taking part;
  - (b) Each of the Directors taking part is able to be heard and hear each of the other Directors throughout the meeting;
  - (c) Unless otherwise to the contrary, a Director will be conclusively presumed to have been present and to have formed part of the quorum throughout the meeting;
  - (d) All information and documents are made equally available to all Directors prior to, at or during the meeting; and
  - (e) 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 then is.
116. Chairman and Deputy Chairman | Voting at Meetings | Casting Votes Directors meetings shall be proceeded in the following manner:
- (a) The Directors may from time to time elect and remove a chairperson and/or Deputy Chairman of the Board of Directors and determine the period for which they are respectively to hold office. The Chairman so elected, or in his absence the Deputy Chairman, shall preside at all meetings of the Directors but if no such Chairman or Deputy Chairman be elected, or if at any meeting the Chairman or Deputy Chairman be not present within 15 minutes after the time appointed for holding the same, the Directors present shall choose one of their number to act as Chairman of such meeting.
  - (b) Questions arising at any meeting of the Directors shall be decided by a majority of votes.
  - (c) In the case of an equality of votes at a meeting, the Chairman shall have a second or casting vote, except where only 2 Directors form a quorum or where only 2 Directors are competent to vote on the question at issue whereupon the resolution shall be deemed not to have been passed, without affecting any other businesses at the meeting.
117. Disclosure of interest in contracts, property, offices etc.
- (1) Every Director shall comply with the provisions of the Act, in particular, **Sections 219 and 221** of the Act, in connection with the disclosure of his shareholding and interest in any contract or proposed contract with the Company and in connection with the disclosure of the fact and the nature, character and extent of any office or possession of any property whereby whether directly or indirectly duties or interests might be created in conflict with his duty or interest as a Director of the Company.
  - (2) No Director or intending Director shall be disqualified by his office from contracting with the Company with regard to his tenure of any such office or place of profit in any other respect. Any such contract, or any contract or arrangement entered into, by or on behalf of any company, in which any Director is in any way interested, shall not be liable to be avoided, and any Director so contracting or being so interested shall not be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established *PROVIDED ALWAYS* that **Sections 221 and 228** of the Act are complied with.
118. Directors refrained from voting in interested transactions No Director may vote in respect of any other contract or proposed contract or arrangement in which he is directly or indirectly interested nor any contract or proposed contract or arrangement with any other company in which he is interested either as an officer of that other company or as a holder of shares or other securities in that other company.



119. Director appointed at a meeting to hold other office to be counted in the quorum
- A Director, notwithstanding his interest may, provided that none of the other Directors present disagree, be counted in the quorum present at any meeting where:
- (a) he or any other Director is appointed to hold any office or place of profit under the Company; or
  - (b) the Directors resolve to exercise any of the rights of the Company, (whether by the exercise of voting rights or otherwise) to appoint or concur in the appointment of a Director to hold any office or place of profit under any other company or where the terms of any such appointment as hereinafter mentioned are considered; or
  - (c) where any decision is taken upon any contract or arrangement in which he is in any way interested provided always that he has complied with **Section 221 and 228 of the Act**, and all other relevant provisions of the Act and of the Constitution.
120. Director may be a Director or interested in other companies
- (1) A Director may continue to be or become a Director or other officer of, or otherwise be interested in any corporation promoted by the Company or in which the Company may be interested as shareholder or otherwise, or any corporation, which is directly or indirectly interested in the Company as shareholder or otherwise.
  - (2) In the foregoing circumstances, no such Director shall be accountable to the Company for any remuneration or other benefits received by him as a Director or officer of, or from his interest in, such corporation, unless the Company otherwise directs at the time of his appointment.
  - (3) The Director may exercise the voting power conferred by the shares or other interest in any such other corporation held or owned by the Company, or exercisable by them as Directors of such other corporation in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them Directors or other officers of such corporation);
  - (4) Any Director may vote in favour of the exercise of such voting rights in manner aforesaid, notwithstanding that he may be, or is about to be appointed, a Director or other officer of such corporation and as such is or may become interested in the exercise of such voting rights in manner aforesaid *PROVIDED ALWAYS* that he has complied with all other relevant provisions of the Act and of this Constitution (including **Section 221** of the Act).

#### **Section 19. COMMITTEES OF DIRECTORS**

121. Directors may establish committees etc.
- The Directors may delegate any power of the Board to any committee, local board or agency ("Committees"), comprising of one or more persons, either in Malaysia or elsewhere, and may accordingly:
- (a) Appoint any person(s) to be the member(s) of any such committee or local board, or any manager or agent ("Committee Member");
  - (b) Lay down, vary or annul such rules and regulations as they may think fit for the conduct of the business thereof;
  - (c) Fix their remuneration, and
  - (d) Delegate to any such Committee any of these powers, authorities and discretion vested in the Directors, with power to sub-delegate; and authorise the Members of any such Committee to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith without notice of any such annulment or variation shall be affected thereby. No person dealing in good faith and without notice of the annulment or variation shall be affected thereby.
  - (e) Convene meetings and hold proceedings of any such committee consisting of two (2) or more Members by the provisions regulating the meetings and proceedings of the Directors (including participation at committee meetings by way of Electronic Communication) so far as the same are applicable thereto and are not superseded by a regulation made by the Directors under the Constitution.
122. Validity of the acts of Directors or committee
- All acts done by any meeting of the Directors or of a Committee of the Directors or by any person acting as a Director, local board or agency 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, or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or Member of such committee, local board or agency as aforesaid and had been entitled to vote.

## Section 20. CIRCULAR RESOLUTIONS

123. Directors' Circular resolution
- (1) A resolution in writing signed by all Directors and taking the form of one or more documents in writing or by telegram, telex, facsimile or other Electronic Communications shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted.
- (2) All such resolutions shall be described as "**Directors' Circular Resolutions**" and shall be forwarded or otherwise delivered to the Secretary without delay, and shall be recorded by him in the Company's minute book. Any such resolution may consist of several documents in like form, each signed by one or more Directors or their alternates.
124. Signature by Majority of Directors
- The Board shall be entitled from time to time to change the requirement that all Directors to sign the Directors' Circular Resolution to a requirement that only a majority of the Directors need to sign such a resolution provided that such change shall take place upon approval of all the Directors.

## Section 21. EXECUTIVE DIRECTOR

125. Directors may appoint Managing Director
- The Director may from time to time appoint any one of their Board to be Managing Director upon such conditions as they think fit. The Board may vest in such person the necessary powers as the Board thinks fit for the discharge of his duties, and his appointment shall be subject to the control of the Board of Directors.
126. Designation for Applicable Laws
- In addition to the Managing Director, the Directors may from time to time appoint one or more Directors to any executive office by whatever name called with such authorisations, roles and responsibilities as may be approved by the Board from time to time.
127. Remuneration
- The remuneration of the Executive Director shall from time to time be fixed by the Directors and may include any of the following:
- (a) salary, commission or participation in profits or by any or all of these modes;
- (b) pension, gratuity or other benefits upon their retirement,
- PROVIDED ALWAYS* that such remuneration shall not include a commission on or percentage of turnover.
128. Executive Director reckoned as Directors for purposes of rotation and retirement
- An Executive Director shall, while he continues to hold such offices, subject to provisions of any contract between him and the Company, be subject to retirement by rotation. Such Director shall, be subject to the same provisions as to resignation and removal as the other Directors of the Company. If he ceases to hold the office of Director from any cause, he shall ipso facto and immediately cease to be an Executive Director, as the case may be.

## Section 22. REGISTERS, RECORDS AND MINUTES

129. Minutes
- (1) The Directors shall cause the following minutes to be made and duly entered in books provided for the purpose of the meetings:
- (a) meeting of the Directors and of any committee of the Board; and
- (b) resolutions and proceedings of meetings of Members and of meetings of the Directors and committees of the Board.
- (2) Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and the same shall be conclusive evidence without any further proof of the facts therein. Where minutes have been so entered and signed, then, until the contrary is proved:
- (a) the meeting shall be deemed to have been duly held and convened;
- (b) all such proceedings shall be deemed to have been duly had;
- (c) all appointments of officers (*or if applicable, liquidators*) made in such proceeding shall be deemed to be valid;
- minutes shall be sufficient evidence of such proceedings thereof and of the observance of all necessary formalities if certified as correct minutes by the Chairman of the meeting.
130. Documents to be kept at registered office
- The Company shall in accordance with the provisions of the Act, maintain such documents as may be prescribed by the Act including without limitation the provisions of **Section 47 of the Act** ("**Records**") at the Office (or such other place permitted by the Act). Unless otherwise prescribed by the Act, the Records may be:
- (a) in a written form; or
- (b) in any other form or manner, electronic or otherwise, that allows the documents and information to be easily accessible and reproduced into written form.

131. Recordkeeping Period The Company shall keep Records and any other document prescribed by the Act for at least seven (7) years from the date of the resolution, meeting or decision, as the case may be (or if permitted by the Act, such other period of time as may be determined by the Board) ("Recordkeeping Period"). Upon expiry of the Recordkeeping Period the Company shall be entitled to destroy such Records unless the provisions of the Act as at such time prescribes a contrary treatment for such Records.
132. Maintaining Statutory Register The Company shall keep at the Office such registers and make such register(s) open to inspection to any Member as may prescribed by the Act, including, without limitation, the maintenance of the following registers:
- (a) a register of the particulars of each of the Directors, officer and Secretary (**Section 57** of the Act);
  - (b) a register of the particulars of each of the Directors' shareholdings and interests (**Section 59** of the Act);
  - (c) a register of substantial shareholders and of information received in pursuance of the requirements (**Sections 144(1)** and **144(2)** of the Act) d
  - (d) a register of charges (**Section 362** of the Act).

### **Section 23. THE SECRETARY**

133. The Secretary
- (1) The Secretary shall, in accordance with the Act, be appointed by the Directors for such term, at such remuneration, and upon such conditions as the Directors think fit.
  - (2) Any Secretary so appointed may be removed by the Board but without prejudice to any claim he or they may have for damages for breach of any contract of service with the Company.
  - (3) The Directors may from time to time by resolution appoint a temporary substitute for the Secretary who shall be deemed to be the Secretary during the term of his appointment.
  - (4) The office of the Secretary shall become vacant if the Secretary resigns his office by notice in writing to the Company or he becomes disqualified to act as the Secretary in accordance with **Section 238 of the Act**.

### **Section 24. SEAL**

134. The custody and the affixing of the Seal Unless otherwise determined to the contrary by the Board, the Company shall have and/or continue to have a Seal. The Seal shall only be utilised in accordance with such regulations as the Directors shall determine from time to time and/or as otherwise provided in the Constitution; in the absence of such regulations, every instrument to which the Seal shall be affixed shall be signed by:
- (a) a Director; and
  - (b) by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose.
135. Seal for use abroad The Company may exercise the powers conferred by the provisions of the Act with regard to having an official seal for use abroad and the powers conferred by the provisions of the Act in relation to such seal shall be vested in the Directors.
136. Share seal The Company may also have a share seal for use with Securities issued by the Company and documents creating or evidencing Securities so issued to be used in accordance with the provisions of the Act and such conditions as may be conferred on the Directors by the Act.

### **Section 25. RESERVES**

137. Creation of reserve fund
- (1) The Directors may, before recommending any dividend, whether preferential or otherwise, set aside out of the profits of the Company such sums as they think proper as a reserve fund which in their absolute discretion think conducive to the interest of the Company, and be applicable for any purpose to which the profits of the Company may be properly applied.
  - (2) Pending utilisation of the reserves, the Directors may invest the several sums so set aside upon such investments as they think fit from time to time and thereafter to vary or realise such investments and dispose of all or any part thereof for the benefit of the Company. The Directors may divide any reserve fund into such special funds as they think fit, with all power to employ the assets constituting the reserve fund in the business of the Company, and that without being bound to keep the same separate from the other assets.
  - (3) The Directors may also, without placing the same to reserve, carry forward any profits which they may think prudent not to divide.

## Section 26. DIVIDEND

138. Solvency test
- The Company in meeting of Members may declare the payment of a dividend out of profits of the Company taking into account the following:
- (a) Prior to a distribution being made by the Company to any shareholder, such distribution shall be authorised by the Directors.
  - (b) The Directors may authorise a distribution at such time and in such amount as the Directors consider appropriate, if the directors are satisfied that the Company will be solvent immediately after the distribution is made.
- The Company is regarded as 'solvent' if the Company is able to pay its debts as and when the debts become due within twelve (12) months immediately after the distribution is made and/or complies with such directives issued by the Act from time to time.
139. Dividends payable from profits only
- Without prejudice to the powers of the Company to pay interest on share capital as hereinbefore provided, no dividend shall be paid otherwise than out of profits. No dividend or other monies payable on or in respect of any share shall bear interest against the Company and no dividend shall be paid in excess of the amount recommended by the Directors.
140. Distribution of Dividends
- The profits of the Company available for dividend and determined to be distributed shall be applied in the payment of dividends to the Members in accordance with their respective rights and priorities.
141. Dividends in proportion to amounts paid up
- (a) Subject to the rights of persons (if any) entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividends is paid.
  - (b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Clause as paid on the share.
  - (c) All dividends shall be apportioned and paid proportionately according to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid.
  - (d) *PROVIDED ALWAYS* that if any share is issued on terms providing that it shall rank for dividend as if paid up (in whole or in part) as from a particular date, such share shall rank for dividend accordingly.
142. Debts may be deducted from dividends
- The Directors may deduct from any dividend payable to any Member all sums of money (if any) immediately payable by him to the Company on account of calls or otherwise in relation to the shares of the Company held by him.
143. Power to retain dividends on which the Company has a lien
- The Directors may retain any dividend or other moneys payable on or in respect of a share other than fully paid shares on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
144. Asset, business or property bought by the Company be credited or debited to the revenue account of the Company
- (1) Subject to the provisions of the Act where any asset, business or property is bought by the Company as from a past date upon the terms that the Company shall as from that date take the profits and bear the losses thereof, such profits or losses as the case may be, shall, at the discretion of the Directors, be credited or debited wholly or in part to revenue account. In that case the amount so credited or debited shall, for the purpose of ascertaining the fund available for dividend, be treated as a profit or loss arising from the business of the Company and available for dividend accordingly.
  - (2) Subject as aforesaid, if any shares or securities are purchased cum dividend or interest such dividend or interest when paid may at the discretion of the Directors be treated as revenue and it shall not be obligatory to capitalise the same or any part thereof.
145. Power to retain dividends in respect of transmission of shares
- The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a Member in respect of such shares or shall transfer the same.
146. Unclaimed dividends
- All dividends unclaimed for one (1) year after having been declared may be disposed of in accordance with the provisions of the **Unclaimed Moneys Act, 1965**.
147. Transfer not to affect right to dividend declared before registration
- Any dividend declared on Deposited Securities shall accrue to the Depositors whose names appear on the Record of Depositors issued to the Company or the Company's Registrar pursuant to the Rules.
148. Mode of payment of dividend
- Any dividend, interest or other money payable in cash in respect of shares may be paid by electronic means, cheque or warrant and if paid by cheque or warrant:
- (a) may be sent through the post directed to the registered address of the holder or to such person and to such address as the holder may in writing direct; or

- (b) if several persons are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons or to such person and to such address as such persons may by writing direct, subject to the Rules.

Every such cheque or warrant or telegraphic transfer or electronic transfer or remittance shall be made payable to the order of the person to whom it is sent or to such person as the holder or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and the payment of any such cheque or warrant or telegraphic transfer or electronic transfer or remittance shall operate as a good and full discharge to the Company in respect of the dividend represented thereby. Every such cheque or warrant or telegraphic transfer or electronic transfer or remittance shall be sent at the risk of the person entitled to the money thereby represented.

149. Power to distribute dividend in specie

Any meeting of Members declaring a dividend or other benefit (including a bonus) may upon the recommendation of the Directors, direct payment of such dividend or benefit wholly or in part by:

- (a) the distribution of specific assets, and in particular, paid-up shares, debenture, or debenture stock of any other company;
- (b) payment in cash; or
- (c) in any one or more of such ways,

and the Directors shall give effect to such resolution.

Where any difficulty arises in regard to the distribution the Directors may settle the same as they think expedient, and in particular may issue fractional shares and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties. The Company may vest any such specific assets in trustee upon such trusts for the persons entitled to the dividend as may seem expedient to the Directors.

150. Dividend for Ordinary shares - in lieu of cash

(1) Whenever the Directors or the Company in meeting of Members have resolved or proposed that a dividend be paid or declared on the ordinary shares of the Company, the Directors may further resolve that Members entitled to such dividend, be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:

- (a) the basis of any such allotment shall be determined by the Directors;
- (b) the Directors shall determine the manner in which Members shall be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid; and
- (c) the Directors may make such arrangements as to the giving of notice to members, providing for forms of election for completion by Members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Clause;
- (d) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of the election has been accorded provided that the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and
- (e) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ordinary shares in respect whereof the share election has been duly exercised (the "**Elected Ordinary Shares**") and in lieu and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the Elected Ordinary Shares on the basis of allotment determined as aforesaid and for such purpose (notwithstanding any provision of the Clause to the contrary), the Directors shall:
  - (i) capitalise and apply the amount standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of ordinary shares for allotment and distribution to and among the holders of the Elected Ordinary Shares on such basis; or

- (ii) apply the sum which would otherwise have been payable in cash to the holders of Elected Ordinary Shares towards payment of the appropriate number of ordinary shares for allotment and distribution to and among the holders of the Elected Ordinary Shares on such basis.
- (2) (a) The ordinary shares allotted pursuant to the provisions of this Clause shall rank pari passu in all respects with the ordinary shares then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify;
    - (b) The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of this Clause, with full power to make such provisions as they think fit in the case of fractional entitlements to ordinary shares (including, notwithstanding any provision to the contrary in these Clauses, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down, or whereby the benefit of fractional entitlements accrues to the Company rather than the members)
  - (3) The Directors may, on any occasion when they resolve as provided in this Clause, determine that the rights of election under that paragraph shall not be made available to the persons who are registered as holders of ordinary shares in the Register of Members or the Depository Register, as the case may be, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors think fit, and in such event the provisions of this Clause shall be read and construed to such determination.
  - (4) The Directors may, on any occasion when they resolve as provided in this Clause, further determine that no allotment of shares or rights of election for shares under that paragraph shall be made available or made to Members whose registered addresses entered in the Register of Members or the Depository Register, as the case may be, is outside Malaysia or to such other Members or class of Members as the Directors may in their sole discretion decide and in such event the only entitlements of the Members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared.
  - (5) Notwithstanding the foregoing provisions of this Clause, if at any time after the Directors' resolution to apply the provisions of this Clause in relation to any dividend but prior to the allotment of ordinary shares pursuant thereto, the Directors shall consider that, by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever, it is no longer expedient or appropriate to implement that proposal, the Directors may at their absolute discretion and as they deem fit in the interest of the Company, cancel the proposed application of this Clause.

## **Section 27. CAPITALISATION OF PROFITS**

151. Capitalisation of profits    The Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing:
- (a) to the credit of any of the Company's reserve accounts;
  - (b) to the credit of the income statement; or
  - (c) otherwise available for distribution,
- and accordingly, that such sum be set free for distribution amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards:
- (i) paying up any amount for the time being unpaid on any share held by such Members respectively or
  - (ii) paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such Members in the proportion aforesaid, or
  - (iii) partly in the one way and partly in the other, and the Directors shall give effect to such resolution.
152. Appropriation and allotment    Whenever such a resolution as aforesaid shall have been passed, the Directors shall:
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby; and
  - (b) all allotments and issues of fully paid shares or debentures, if any; and
  - (c) generally shall do all acts and things required to give effect thereto.

The Directors shall have full power to make such provision by the issue of fractional shares or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions. Pursuant thereto, also to authorise any person to enter on behalf of all the Members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members

### Section 28. FINANCIAL STATEMENTS

153. Directors to keep proper accounts The Directors shall cause proper accounting and other records to be kept, and shall distribute copies of audited financial statements, reports and other documents as required by the Act (collectively the "Accounts").
154. Financial Statements to be made-up and laid before the Company
- (1) The Directors shall from time to time in accordance with the standards prescribed by the Act cause to be prepared and laid before the Company in general meeting such Accounts as are referred to in the Act.
  - (2) The annual audited financial statements, the directors' and auditors' reports relating to it shall be issued no later than four (4) months after the close of the financial year of the Company.
  - (3) A copy of each such documents comprising the annual Accounts shall not less than twenty one (21) days together with Annual General Meeting notice (or such other shorter period as may be agreed by all Members entitled to attend and vote at the meeting) before the date of the meeting, be sent to Members and other persons as may be prescribed by the Act.
  - (4) Each set of the annual Accounts shall be provided to the members and the Exchange in the manner prescribed by the Constitution and the Applicable Laws.
155. Authority to issue Annual Report in any electronic format Subject to compliance with Listing Requirement and any other relevant Applicable Laws, if any, the Company may issue its annual report in any electronic format whatsoever (whether available now or in the future) through which images, data, information or other material may be viewed whether electronically or digitally or howsoever.
156. Lists or particulars of securities or investments Save as may be necessary for complying with the provisions of the Act or as the Company may by Special Resolution otherwise resolve, the Directors shall not be bound to publish any list or particulars of the securities or investments held by the Company or to give any information with reference to the same to any member.

### Section 29. AUDIT

157. Appointment of auditors Auditors shall be appointed and their duties regulated in accordance with the Act.
158. Auditors entitled to attend general meeting The Auditors shall be entitled to attend any meeting of Members and to receive all notices of and other communications relating to any meeting of Members which any Member is entitled to receive, and to be heard at any meeting of Members on any part of the business of the meeting which concerns the auditors.

### Section 30. LANGUAGE

159. Foreign Language Where any financial statements, minute books or other records ("**Foreign Documents**") required to be kept by the Act are not kept in Bahasa Malaysia or the English language, the Directors shall cause a true translation of the Foreign Documents as required by the Act.

### Section 31. DESTRUCTION OF DOCUMENTS

160. Company may destroy documents
- (1) The Company shall be entitled to destroy (unless otherwise provided by the Applicable Laws and/or other relevant laws):
    - (a) all instruments of transfer which shall have been registered at any time after a reasonable time from the date of registration thereof; and
    - (b) if any, all share certificates and dividend mandates which have been cancelled or have ceased to have effect at any time after the expiration of one year from the date of cancellation or cessation thereof; and
    - (c) all notifications of change of name or address after the expiration of one year from the date they were recorded
  - (2) It shall conclusively be presumed in favour of the Company that every entry in the register which purports to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every share certificate so destroyed was a valid certificate duly and properly cancelled. Every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company provided that:

- (a) the foregoing provisions of this Clause shall apply only to the destruction of a document in good faith and without express notice that the preservation of such document was relevant to a claim;
- (b) nothing contained in this Clause shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company but for the provisions of this Clause; and
- (c) reference in this Clause to the destruction of any document include references to its disposal in any manner.

**Section 32. AUTHENTICATION OF DOCUMENT**

161. Appointed persons Any of the following person(s):
- (a) a Director; or
  - (b) the Secretary; or
  - (c) any person appointed by the Directors for the purpose,
- shall have power to authenticate any document affecting the Constitution of the Company and any resolution passed by the Company or the Directors, and any books, records, documents and financial statements relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts. Where any books, records, documents or financial statements are kept elsewhere other than in the Office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid.
162. Conclusive evidence of resolutions and extract of minutes A documents purporting to be a copy of a resolution of the Director or an extract from the minutes of a meeting of the Directors which is certified as such in accordance with the Constitution shall be conclusive evidence in favor of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is true and accurate record of a duly constituted meeting of the Directors.

**Section 33. NOTICES**

163. Service of notices and/or documents Unless otherwise expressly provided in this Constitution, any communication between the Company and the Members may be given as follows:
- (a) in hard copy;
  - (b) in electronic form when sent by the following electronic means ("**Electronic Form**"):
    - (i) transmitting to a last known electronic mail address; or
    - (ii) publishing the notice or document on the Company's website provided that a notification of the publication of a notice of meeting or related document on the website has been given in accordance with **Section 320 of the Act and the Listing Requirements**; or
    - (iii) 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 provided that a notification of the publication or availability of the notice or document on the electronic platform via hard copy or electronic mail or short messaging service has been given to them accordingly and in particular, where the notification relates to the publication of a notice of meeting or related document notice must be given in accordance with **Section 320 of the Act and the Listing Requirements**; or
  - (c) partly in hard copy and partly in Electronic Form.
164. Deemed time of notice (1) Any notice or document shall be deemed to have been served by the Company to a member:
- (a) Hard copy: Where the notice or document is (i) sent in hard copy by post to the last known address, on the day the prepaid letter, envelope or wrapper containing such notice or document is posted. 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 pre-paid letter; (ii) served on the Member personally; (iii) sent by facsimile where it shall be deemed to be effective at the time of despatch with confirmed answerback of the addressee appearing at the beginning and end of the communication or (iv) advertised in the daily press. Any notice given by advertisement shall be deemed to have been given on the day on which the advertisement shall first appear.
  - (b) Electronic Form: Where the notice or document is sent by Electronic Form:



- (i) via electronic mail, at the time of transmission to a member's last known electronic mail address, provided that the Company has record of the electronic mail being sent and that no written notification of delivery failure is received by the Company. In the event that service of a notice or document is unsuccessful, the Company must, within two (2) market days from discovery of delivery failure, make alternative arrangements for service by serving the notice or document in hard copy in accordance with the Constitution
- (ii) via publication on the Company's website, on the date the notice or document is first made available on the Company's website provided that the notification on the publication of notice or document on website has been given as required by this Constitution; or
- (iii) via electronic platform maintained by the Company or third parties, on the date the notice or document is first made available thereon provided that the notification on the publication or availability of the notice or document on the relevant electronic platform.

Last known address

(2) The address (including Electronic Address):

- (a) of a Member appearing in the Record of Depositors or Register of Members;
- (b) of a Director appearing in the Register of Directors; or
- (c) provided by the Member or the Director to the Company for purposes

shall be deemed as the last known address of the Member or Director for purposes of communication including but not limited to service of notices and/or documents to the Member or Director respectively.

165. Person entitled to shares by transfer, transmission, etc. bound by notices

A notice and/or document required to be sent to Members may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a Member by sending it through representatives of the deceased or assignee of the bankrupt or by any like description, at his last known address, in any manner in which the same might have been served if the death or bankruptcy has not occurred. Every person who by operation of law, transfer, transmission or other means whatsoever shall become entitled to any share, shall be bound by every notice and/or document in respect of such share which, prior to his name and/or address being entered in the Register of Members as the registered holder of such share have been duly given to the person from whom he derives the title to such share.

166. Notices by post to persons entitled in consequence of death

Any notice or document delivered or sent in the manner permitted in the Constitution, to the registered address of any Member shall, if such Member be then deceased, and whether or not the Company has notice of his death, be deemed to have been duly served on his legal personal representatives

167. Notice and/or document given by advertisement

Any notice and/or document required by a court of law or otherwise required or allowed to be given by the Company to the Members or any of them, and not expressly provided for by the Constitution or which cannot for any reason be served in the manner referred to in the Constitution, shall be sufficiently given if given by advertisement, and any notice and/or document required to be or which may be given by advertisement, shall be deemed to be duly advertised once advertised in a widely circulated newspaper in Malaysia in the national language and in a widely circulated newspaper in Malaysia in the English language

#### **Section 34. WINDING UP**

168. Distribution in specie

- (1) If the Company is wound up (whether the liquidation is voluntary, under suspension or by the Court), the liquidator may, after the payment or satisfaction of all liabilities of the Company including preferred payments under the Act, with the sanction of a Special Resolution of the Company, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they consist of property of the same kind or not) and may for that purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how the division shall be carried out as between the Members or different classes of members which division may be otherwise than in accordance with the existing rights of the 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.

169. 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 among the Members as such shall be insufficient to repay the whole of the paid up capital such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up at the commencement of the winding-up, on the shares held by them respectively; or
  - (b) If in a winding-up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding-up, the excess shall be distributed among the Members in proportion to the capital paid up, or which ought to have been paid up at the commencement of the winding up, on the shares held by them respectively.
170. Voluntary winding up
- (1) On a voluntary winding up of the Company, no commission or fee shall be paid to a liquidator without the prior approval of the Members in general meeting. The amount of such commission or fee shall be notified to all Members not less than seven (7) days before the meeting at which it is to be considered.
  - (2) If authorised by a Special Resolution, on the sale of the undertaking of the Company, the Directors or the liquidators on a winding up may, accept fully paid or partly paid-up shares, debentures or securities of any other company, whether incorporated in Malaysia or foreign, (then existing or to be formed) for the purchase in whole or in part of the property of the Company.
  - (3) The Directors (if the profits of the Company permit), or the liquidators (on a winding up), may:
    - (a) distribute such shares or securities, or any property of the Company amongst the Members without realisation, or
    - (b) vest the same in trust for them;
  - (4) Any Special Resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the Members or contributories of the Company and for valuation of any such securities or property at such price and in such manner as the meeting may approve.
  - (5) All holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorised, and waive all rights in relation thereto, save only in the case of the Company which is proposed to be or is in the course of being wound up, such statutory rights (if any) under the Act as are incapable of being varied or excluded by this Constitution.

### **Section 35. SECRECY CLAUSE**

171. Secrecy Save as may be provided by the Act, no Member shall be entitled to enter into or upon or inspect any premise or property of the Company nor to require discovery of any information respecting any detail of the Company's business affairs or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Members of the Company to communicate to the public.

### **Section 36. INDEMNITY**

172. Indemnity
- (1) Subject to the provisions of the Act, in particular, Section 288 and 289, every person listed below (collectively "Relevant Persons"):
    - (a) Director;
    - (b) Executive Director;
    - (c) Auditor;
    - (d) Secretary; and
    - (e) other officer for the time being of the Company
 shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto. No Relevant Persons shall be liable for any loss, damage, or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto.

- (2) No Relevant Persons shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or act of conformity, or for any loss or expense happening to the Company through (unless the same happens through his own negligence or dishonesty):
  - (a) insufficiency or deficiency of property acquired by order of the Directors for or on behalf of the Company;
  - (b) insufficiency or deficiency of any security or investment in or upon which any of the monies of the Company shall be invested;
  - (c) any other loss or damage arising from the bankruptcy, insolvency, or tortious act of any person with whom any money, securities or effects shall be deposited; or
  - (d) any loss occasioned by any error or judgement or oversight on his part or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto.

**Section 37. EFFECT OF LISTING REQUIREMENTS**

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| 173. Effect of Listing Requirements | <ol style="list-style-type: none"> <li>(1) Notwithstanding anything contained in this Constitution, if the Listing Requirements prohibit an act being done, the act shall not be done.</li> <li>(2) Nothing contained in the Constitution prevents an act being done that the Listing Requirements require to be done.</li> <li>(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).</li> <li>(4) If the Listing Requirements require the Constitution to contain a provision and they do not contain such a provision, the Constitution is deemed to contain that provision</li> <li>(5) If the Listing Requirements require the Constitution not to contain a provision and they contain such a provision, the Constitution is deemed not to contain that provision.</li> </ol> |
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**Section 38. ALTERATIONS OF CONSTITUTION**

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| 174. Alterations of Constitution | <ol style="list-style-type: none"> <li>(1) Subject to this Constitution, no amendment whether by way of rescission, alteration or addition shall be made to the Constitution unless the same has been passed by a Special Resolution of the Members in general meeting. Upon the date of the Special Resolution is passed or a later date as specified in the resolution, the alteration or amendment to the Constitution shall bind the Company and the Members accordingly.</li> <li>(2) This Constitution have been drafted in a manner to incorporate the requirements of the Applicable Laws and its relevant governing statutes, regulations, directives and guidelines. In the event that a term used in the Constitution is not defined herein, the definition in the respective Applicable Laws shall deem to apply to give meaning to such term.</li> <li>(3) Without prejudice to any provisions in the Applicable Laws or under the Constitution pertaining to the amendments of the Clauses, in the event the applicable provisions of any relevant Applicable Laws (including governing statutes, regulations, directives and guidelines) are from time to time amended, modified or varied, such amendments, modifications or variations shall be deemed inserted herein whereupon the Constitution shall be read and construed subject to and in accordance with the amended, modified or varied statutes, regulations and guidelines.</li> <li>(4) The Board are granted the discretion to rectify:           <ol style="list-style-type: none"> <li>(a) any mistake in the grammar, minor omissions or errors in any Clause in order to better reflect the meaning of the Clause in question, provided that such rectification does not alter or amend the said Clause in question;</li> <li>(b) any cross referencing to a Clause, Applicable Law or other laws which is incorrect and/or incomplete.</li> </ol> </li> </ol> |
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Rectification not deemed alteration or amendment In the foregoing circumstances, unless otherwise directed by the Act, any such rectification shall not be deemed an alteration or amendment requiring approval of the Members in general meeting. Upon resolution of such rectification, a copy of the rectified Constitution shall, where permitted, be lodged with the Registrar.

**Section 39. APPLICABLE LAWS**

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| 175. Compliance with Applicable Laws | Notwithstanding the Constitution, the Company shall comply with the respective Applicable Laws in respect of all matters relating to securities or other matters related to the Company. The provisions set out in the Act which may be modified or substituted by the provisions of the Constitution shall not apply to the Company, except as far as the same are repeated or contained in this Constitution. |
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