

**THIS CIRCULAR IS IMPORTANT AND REQUIRES
YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately. Bursa Malaysia Securities Berhad has not perused the proposed renewal of shareholders' mandate for recurrent related party transactions of revenue or trading nature prior to its issuance.

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



DUTCH LADY MILK INDUSTRIES BERHAD (5063-V)

(Incorporated in Malaysia under the then Companies Ordinances, 1940-1946)

**PART A
CIRCULAR TO SHAREHOLDERS
IN RELATION TO THE PROPOSED NEW AND RENEWAL OF SHAREHOLDERS'
MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE
OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")**

**PART B
STATEMENT TO SHAREHOLDERS IN RELATION TO THE PROPOSED ADOPTION
OF THE NEW CONSTITUTION OF THE COMPANY ("PROPOSED ADOPTION")**

The ordinary and special resolutions in respect of the above proposals will be tabled at the Fifty-Sixth Annual General Meeting of the Company. The Notice of the Fifty-Sixth Annual General Meeting and the Form of Proxy of Dutch Lady Milk Industries Berhad are enclosed in the 2018 Annual Report dispatched together with this Circular. The Fifty-Sixth Annual General Meeting of Dutch Lady Milk Industries Berhad will be held at Ballroom 2, Level 3D, Sheraton Petaling Jaya Hotel, Jalan Utara C 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Friday, 26 April 2019 at 9.00 a.m.

You are requested to complete the Form of Proxy and deposit it at the office of Boardroom Share Registrars Sdn Bhd at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not later than twenty four (24) hours before the time set for holding the Meeting thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the Meeting should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : Thursday, 25 April 2019 at 9.00 a.m.
Date and time of Annual General Meeting : Friday, 26 April 2019 at 9.00 a.m.

This Circular is dated 28 March 2019

DEFINITIONS

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

“Act”	:	Companies Act, 2016, as amended from time to time and any re-enactment thereof.
“AGM”	:	Annual General Meeting.
“Bursa Securities”	:	Bursa Malaysia Securities Berhad.
“Constitution”	:	The Constitution of DLMI, as amended from time to time.
“DLMI” or “the Company”	:	Dutch Lady Milk Industries Berhad (5063-V).
“FCA”	:	FrieslandCampina AMEA Pte Ltd, Singapore.
“FCDM”	:	FrieslandCampina DLMI Malaysia Holding B.V., the Netherlands.
“FCF(T)”	:	FrieslandCampina Foremost (Thailand) Plc, Thailand.
“FCCPI”	:	FrieslandCampina CPI Holding B.V, the Netherlands.
“FCN”	:	FrieslandCampina Nederland Holdings B.V., the Netherlands and its subsidiaries.
“FCP”	:	Engro Foods Limited, Pakistan
“FC(S)”	:	FrieslandCampina (Singapore) Pte Ltd, Singapore.
“FCSCAP”	:	FrieslandCampina Service Centre Asia Pacific Sdn Bhd, Malaysia.
“FCV”	:	FrieslandCampina Vietnam, Vietnam
“FFI”	:	P.T. Frisian Flag Indonesia, Indonesia.
“Listing Requirements”	:	The Main Market Listing Requirements of Bursa Securities, including any amendments thereto that may be made from time to time.
“Proposed Adoption”	:	Proposed adoption of the new Constitution of the Company.

DEFINITIONS (CONT)

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

“Proposed Shareholders’ Mandate”	:	Proposed new and renewal of existing shareholders’ mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.
“Recurrent Related Party Transactions” or “RRPT”	:	Related party transactions involving recurrent transactions of a revenue or trading nature which are necessary for day-to-day operations and are in the ordinary business of DLMI.
“Related Party/Related Parties”	:	A Director, major shareholder or person connected with such Director or major shareholder. For the purpose of this definition, “Director” and “major shareholder” shall have the meaning given in paragraph 10.02 of the Listing Requirements.
“RFC”	:	Royal FrieslandCampina N.V., the Netherlands.
“RFC Affiliated Companies”	:	Subsidiary companies worldwide of RFC where it has direct or indirect shareholdings.
“RFC Group” or “the Group”	:	RFC and its subsidiaries
“RM”	:	Ringgit Malaysia
“2018 Annual Report”	:	Annual Report of DLMI issued for the financial year ended 31 December 2018

In this Circular, unless there is something in the subject or context inconsistent herewith, the singular includes the plural and references to gender include both genders and the neuter.

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PART A

**CIRCULAR TO SHAREHOLDERS
IN RELATION TO THE PROPOSED NEW AND RENEWAL OF
SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY
TRANSACTIONS OF A REVENUE OR TRADING NATURE
("PROPOSED SHAREHOLDERS' MANDATE")**

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DUTCH LADY MILK INDUSTRIES BERHAD (5063-V)

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MALAYSIA

Tel : 603 79532600

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28 March 2019

Board of Directors:

Dato' Zainal Abidin bin Putih (Chairman/Senior Independent Non-Executive Director)

Tarang Gupta (Managing Director)

Saw Chooi Lee (Non-Independent Non-Executive Director)

Boey Tak Kong (Independent Non-Executive Director)

Bernardus Hermannus Maria Kodden (Non-Independent Non-Executive Director)

Dato' Dr Rosini Alias (Non-Independent Non-Executive Director)

Tengku Nurul Azian binti Tengku Shahrman (Independent Non-Executive Director)

Jurgen Clemens Johannes Sandmann (Non-Independent Non-Executive Director)

Datin Seri Sunita Mei-Lin Rajakumar (Independent Non-Executive Director)

To: The Shareholders of Dutch Lady Milk Industries Berhad

Dear Sir/Madam

PROPOSED NEW AND RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")

1. INTRODUCTION

At the Fifty-Fifth AGM held 26 April 2018, the Company obtained a mandate from its shareholders to enter into the RRPT with Related Parties which are necessary for its day to day operation and are in the ordinary course of business based on normal commercial terms which are not more favourable to the Related Parties than those normally available to the public and not to the detriment of minority shareholders ("2018 Shareholders' Mandate").

The 2018 Shareholders' Mandate shall lapse at the conclusion of the forthcoming Fifty-Sixth AGM of the Company scheduled on 26 April 2019 unless a new mandate for RRPT is obtained from the shareholders at the AGM.

The Board of Directors ("Board") of DLMI has on 27 February 2019 announced its intention to seek shareholders' approval for A new shareholders' mandate and renewal of the 2019 Shareholders' Mandate for the Recurrent Related Party Transactions with the Related Parties as set out in Section 2.3 of this Circular.

The purpose of this Circular is to provide you with the relevant details of the Proposed Shareholders Mandate and to seek your approval for the resolution thereto to be tabled at the forthcoming AGM, which will be held at Ballroom 2, Level 3D, Sheraton Petaling Jaya Hotel, Jalan Utara C 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Friday, 26 April 2019 at 9 a.m.

2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE

2.1 Provisions under the Listing Requirements

Pursuant to paragraph 10.09 of Chapter 10 of the Listing Requirements, the Company may seek a shareholders' mandate for Recurrent Related Party Transactions of a revenue or trading nature which are necessary for its day-to-day operations subject to the following:-

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Parties than those generally available to the public;
- (ii) the shareholders' mandate is subject to annual renewal and disclosure is made in the Annual Report of the aggregate value of such transactions conducted pursuant to the shareholders' mandate during the financial year; and
- (iii) in a meeting to obtain shareholders' mandate, the interested Director, interested major shareholder or interested person connected with such Director or major shareholder; and where it involved the interest of an interested person connected with a Director or major shareholder, such Director or major shareholder must comply with the requirements set out in paragraph 10.08(7) of Chapter 10 of the Listing Requirements.

The Proposed Shareholders' Mandate will, if approved by shareholders at the forthcoming AGM, be subject to annual renewal. In this respect any authority conferred by the Proposed Shareholders' Mandate shall only continue to be in force until:

- (a) the conclusion of the next AGM of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
- (b) the expiration of the period within which the next AGM of DLMI subsequent to the date it is required to be held pursuant to Section 340(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by a resolution passed by the shareholders in a general meeting;

whichever is earlier.

The Proposed Shareholders' Mandate shall apply in respect of all Recurrent Related Party Transactions to be entered into from the date of the forthcoming AGM to the next AGM as stipulated in the ensuing section.

In making the disclosure of the aggregate value of the Recurrent Related Party Transactions conducted pursuant to the 2018 Shareholders' Mandate, the Company has provided a breakdown of the aggregate value of the Recurrent Related Party Transactions entered into during the financial year in the 2017 Annual Report, based on the following information:-

- (i) the type of the Recurrent Related Party Transactions made; and
- (ii) the names of the Related Parties involved in each type of the Recurrent Related Party Transactions entered into and their relationship with the RFC Group.

Shareholders are advised to refer to Note 22 on Related Party Transactions in the financial statements of the Company for the year ended 31 December 2018 enclosed in the 2018 Annual Report.

2.2 Business of the Company

DLMI is seeking approval from the shareholders for a new shareholders' mandate and the renewal of the 2018 Shareholders' Mandate for the Recurrent Related Party Transactions that will allow the Company, in their normal course of business, to continue to enter into the categories of Recurrent Related Party Transactions with the Related Parties referred to in the ensuing section.

DLMI manufactures and imports for distribution a wide range of dairy products, such as specialised powders for infant and growing children, liquid milk in different packaging formats and yoghurt. DLMI markets these products under various brand names such as "Dutch Lady", "Dutch Lady PureFarm", "Dutch Baby Langkah 1", "Dutch Baby Langkah 2", "Dutch Lady Growing Up Milk 123", "Dutch Lady Growing Up Milk 456", "Dutch Lady Growing Up Milk 6+", "Frisolac", "Friso", "Frisomum" and "Friso Comfort".

RFC owns 50.96% equity interest in DLMI through FCCPI and FCDM. RFC is a multinational company with its headquarters located in the Netherlands, that develops, produces and sells a wide range of dairy products and fruit based drinks for the consumer market, professional users and food manufacturers worldwide.

It is anticipated that the Company would, in the ordinary course of business, enter into Recurrent Related Party Transactions that are detailed in Section 2.4 below. It is likely that such transactions will occur with some degree of frequency and could arise at any time.

In view of the time-sensitive, confidentiality and frequent nature of such Recurrent Related Party Transactions, the Board of Directors of DLMI is seeking shareholders' approval for the Proposed Shareholders' Mandate for DLMI to enter into transactions in the normal course of business within the classes of Related Parties set out in Section 2.3 below. The Recurrent Related Party Transactions will also be subject to the review procedures set out in Section 2.6 below.

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2.3 Class of Related Parties

The general transactions entered by DLMI relating to the provision of or the obtaining of products and services to or from the Related Parties in the ordinary course of business are as set out below:-

Related Party	Principal Activity	Relationship
FCN	Manufacture and sale of dairy products, provision of shared and ICT project management services, communication services and owner of all brands within the RFC Group and management support services.	RFC is the ultimate holding company of DLMI with a shareholding of 32,614,800 shares, representing 50.96% equity interest as at 28 February 2019, via its wholly owned subsidiary, FCDM.
FCP	Manufacture and sale of dairy products.	RFC is a multinational company with worldwide operations that is carried out through its subsidiaries where it has direct and indirect shareholdings. This group of companies is referred to as RFC Affiliated Companies.
FFI	Manufacture and sale of dairy products.	FCN, FFI, FC(T), FC(S), FCP FCV, FCSCAP and FCA are all RFC Affiliated Companies.
FC(T)	Manufacture and sale of dairy products.	
FC(S)	Import, export and sale of dairy and other products.	The related parties above, other than FCDM, do not hold any shares in DLMI.
FCV	Manufacture and sale of dairy products.	
FCDM	Investment holding.	
FCSCAP	Provision of shared and ICT project management services.	
FCA	Developing, purchasing, marketing and selling branded consumer dairy products.	

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2.4 Nature of Recurrent Related Party Transactions and Estimated Values

The Proposed Shareholders' Mandate will enable DLMI to undertake transactions with its related parties. The transactional values of the Proposed Shareholders' Mandate and the actual value of each Recurrent Related Party Transaction from the date on which the 2018 Shareholder's Mandate (which was obtained on 26 April 2018 to 27 February 2019, being the latest practicable date before the printing of the Circular), as disclosed in the Circular to Shareholders dated 28 March 2018, are as follows: -

Related Party	Nature of Transactions	#Estimated values of transactions from 26/4/2019 to the next AGM (RM '000)	Last mandate transactions as disclosed in the preceding Circular to Shareholders (RM '000)	^ Actual value transacted from 26/4/2018 up to 27/2/2019 (RM '000) #Note 1
Purchases by DLMI				
FCN	Purchase of fully packed dairy products and raw materials	550,000	550,000	391,054
FFI	Purchase of fully packed dairy products and raw materials	90,000	90,000	39,580
FC(T)	Purchase of fully packed dairy products and raw materials	50,000	50,000	15,734
FCA	Purchase of fully packed dairy products and raw materials@	-	10,000	-
FCV	Purchase of fully packed dairy products and raw materials@	-	30,000	-
FFI	Purchase of fully packed dairy products in PET bottle*	6,250	-	-
Sales by DLMI				
FCN	Sale of fully packed dairy products and raw materials	20,000	20,000	7,553
FC(S)	Sale of fully packed dairy products	31,500	31,500	14,368
FC(T)	Sale of fully packed dairy products	5,000	5,000	-
FCP	Sale of full cream milk powder*	1,500	-	3,425

Services received by DLMI				
FCN	Know-How, trademark license and management support fees	55,000	55,000	29,782
FCDM	Corporate fees	155	155	61
FCSCAP	Shared services	5,000	5,000	3,372
FCN	Shared ICT and communication services	20,000	20,000	18,017
Services provided by DLMI				
FCSCAP	Shared services	250	250	136

* New Recurrent Related Party Transaction that was not covered in the previous 2018 Shareholders' Mandate.

@ No further mandate required for this Recurrent Related Party Transaction

The values are estimates based on the budgets and forecasts prepared by the Company from the conclusion of the forthcoming AGM of the Company to be held on 26 April 2019 until the conclusion of the next AGM of the Company in 2020. Due to the nature of transactions, the actual value of transactions may vary from the estimated value disclosed above and will be disclosed in the Annual Report of the Company in respect of financial year ending 31 December 2019.

^ The actual value of the Recurrent Related Party Transactions transacted from the date of the AGM held on 26 April 2018 to 27 February 2019, being the latest practicable date prior to the printing of this Circular.

#Note1: None of the actual values of the Recurrent Related Party Transactions has exceeded the estimated value by 10% or more.

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2.5 Outstanding Amount Due under the Recurrent Related Party Transactions

The breakdown of the principal sum (non-interest bearing) for the total outstanding amount due to the Company under the Recurrent Related Party Transactions which exceeded the credit terms as at 31 December 2018 is as follows:-

No	Related Party	Outstanding Amount (RM'000)			
		1 year or less	More than 1 year to 3 years	More than 3 years to 5 years	More than 5 years
1.	-	-	-	-	-

There are no late payment charges imposed on the outstanding amounts as they are trade in nature. The Company continuously follows up with the debtor for timely settlement of outstanding amounts. The Board of Directors is of the opinion that there is no recoverability issue as the debtor is a related party with a long standing relationship with the Company and has proven to be creditworthy with a good payment record.

2.6 Disclosure and Review Procedures for Recurrent Related Party Transactions

There are procedures established by the Company to ensure that Recurrent Related Party Transactions are undertaken on an arms' length basis and on normal commercial terms consistent with the Company's usual business practices and policies and will not be prejudicial to the Company's shareholders. The procedures are as follows:-

- (a) A Related Party Transaction Review Committee ("RPT Review Committee") was established to review all Recurrent Related Party Transactions and, should it arise, any related party transaction, whereby such transactions would be reviewed periodically.
- (b) All Recurrent Related Party Transactions which are entered into pursuant to the shareholders' mandate obtained at the last AGM convened will be recorded by the Company in a register or records maintained by the Company.
- (c) All Recurrent Related Party Transactions will then be reviewed by the Audit Committee. Any member of the Audit Committee may, as he deems fit, request for additional information pertaining to the transaction including from independent sources or advisors.
- (d) Upon direction from the Audit Committee, the annual internal audit plan shall incorporate a review of all Recurrent Related Party Transactions entered into pursuant to the shareholders' mandate obtained to ensure that the relevant approvals have been obtained and any related party transaction and the review procedures in respect of such transactions are adhered to; and
- (e) The Management of the Company will update the Board and the Audit Committee on the status of all Recurrent Related Party Transactions including any related party transaction to ensure that all the review procedures established to monitor Recurrent Related Party Transactions and Related Party Transactions have been complied with.

Wherever practicable and/or possible, at least two other contemporaneous transactions with unrelated third parties for substantially similar products or services and/or quantities will be used as comparison to determine whether the price and terms

offered to/by the related parties are fair and reasonable and comparable to those offered to/by other unrelated third parties, bearing in mind market forces for the demand and supply of the products or services and its impact on pricing, quality, delivery schedules, preferential terms and conditions, and on the urgency that the goods or services are required.

In the event that quotations or comparative pricing from unrelated third parties cannot be obtained for the proposed transactions, the transaction price will be reviewed by the RPT Review Committee based on their knowledge of industry norms to ensure that the Recurrent Related Party Transactions are not detrimental to the Company.

There is no specific threshold for approval of Recurrent Related Party Transactions. All Recurrent Related Party Transactions are reviewed and/or executed by senior management in the Company, provided always that such individuals have no interest in the transaction and the said transaction has been approved pursuant to the shareholders' mandate obtained at an AGM for Recurrent Related Party Transactions.

The Audit Committee will review and ascertain whether the guidelines and procedures established to monitor related party transactions, including the maintenance of proper records, have been complied to ensure that (i) the related party transactions are conducted at arm's length and on normal commercial terms, and (ii) such transactions are not prejudicial to the interests of the shareholders.

Further, where any Director or person connected with them has an interest (direct or indirect) in any related party transactions, such Director (or his alternate, where applicable) or person connected with them shall abstain from voting on the matter. Where any member of the Audit Committee is interested in any transaction, that member shall abstain from voting on any matter relating to any decisions to be taken by the Audit Committee with respect to such transactions.

In a meeting to obtain the Proposed Shareholders' Mandate, an interested Director, interested major shareholder or interested persons connected with a Director or major shareholder; where it involves the interest of an interested person connected with a Director, major shareholder or persons connected to them, shall abstain from voting on the resolution approving the transactions.

The Proposed Shareholders' Mandate, if approved at the forthcoming AGM, shall continue to be in force until the next AGM of the Company. Thereafter, shareholders' approval will be sought for the renewal of such mandate at each subsequent AGM, subject to a satisfactory review by the Audit Committee of its continued application to Recurrent Related Party Transactions.

2.7 Statement by the Audit Committee

The Audit Committee has the overall responsibility of determining whether the procedures for reviewing all related party transactions are appropriate to ensure that the Recurrent Related Party Transactions are within the limits approved pursuant to the Proposed Mandate. The Audit Committee conducts the review of these procedures at least once a year.

The Audit Committee has reviewed the terms of the Proposed Shareholders' Mandate and is satisfied that the review procedures for related party transactions, as well as the annual review of all the Recurrent Related Party Transactions made for the financial year ended 31 December 2018 in relation to the 2018 Shareholders' Mandate for Recurrent Related Party Transactions, are sufficient to ensure that related party transactions are monitored, tracked and made at arm's length and in accordance with the Company's normal commercial terms, and hence, are not prejudicial to the interests of shareholders or disadvantageous to the Company.

3. RATIONALE OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate will enable the Company to enter into related party transactions described in Section 2.4 above with the classes of Related Parties that are in the normal course of the Company's business. As such transactions may occur with some degree of frequency, the Proposed Mandate will eliminate the need for the Company to seek the shareholders' approval as and when potential transactions with the specified classes of Related Parties arise, thereby reducing substantially the administrative time, inconvenience and costs associated with the convening of such meetings without compromising the corporate objectives and adversely affecting the business opportunities available to the Company.

The Recurrent Related Party Transactions, as outlined in Section 2.4, are carried out at arm's length basis and on normal commercial terms not prejudicial to the interest of the shareholders and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders.

The Proposed Shareholders' Mandate is vital in ensuring the viability of the Company's business by continuing its association with the RFC Group. In return, the Company has an obligation to the Group to market products using its brands.

The Proposed Shareholders' Mandate is fundamental to DLMI's continuing status as the sole licensee in Malaysia for the use of the RFC Group's highly visible and strong brands such as "Dutch Lady", "Dutch Lady PureFarm", "Dutch Baby Langkah 1", "Dutch Baby Langkah 2", "Dutch Lady Growing Up Milk 123", "Dutch Lady Growing Up Milk 456", "Dutch Lady Growing Up Milk 6+", "Frisolac", "Friso", "Frisomum" and "Friso Comfort". These brands are synonymous with quality dairy products worldwide.

Since incorporation, DLMI has been given the exclusive use of the RFC Group's trademarks in Malaysia. In addition, DLMI uses the registered trademarks on its advertising and packaging materials, promotional campaigns and printed matter to maximise the values attached to these trademarks. The trade name "Dutch Lady" is also allowed by the RFC Group to be used as the Company's name.

As manufacturers and distributors of a wider range of dairy and dairy-related products, DLMI has to import most of its dairy raw materials from overseas as only a negligible amount of fresh milk is available locally. The RFC Group, being one of the world's largest and most reputable suppliers of dairy ingredients, also supplies raw, semi-finished or finished products to DLMI.

In addition, the RFC Group produces and markets highly proprietary and technically superior dairy products throughout the world. These products are also sold in Malaysia via DLMI by special arrangement, in particular, specialised powders for infant and growing children.

As part of the RFC Group sourcing arrangement and to achieve better economies of scale, the sourcing of dairy raw material as well as fully packed dairy products is centrally arranged by FCN, being the sourcing arm for RFC Group. With this sourcing arrangement, approximately 72% of the total dairy raw and packaging materials as well as fully-packed dairy products purchased by the Company is sourced from the RFC Group.

Likewise for similar reasons, export opportunities to other related Parties are evaluated on a continuing basis and potential transactions with the specified classes of Related Parties are included in this Proposed Shareholders' Mandate.

DLMI has derived considerable commercial benefits from its continuing relationship with the RFC Group, who has helped the Company develop over the years to its present full range of quality dairy products that include infant formula, growing up milk, powdered milk, UHT milk, sterilised milk, pasteurised milk and yoghurts.

This has been possible through the RFC Group's valuable proprietary formulation, technical know-how, innovations and superior research and development relating to the manufacture of dairy products as well as extensive supply chain and commercial experience in the marketing and distributing of such products. This has enabled the Company to continuously improve its production as well as its marketing and selling processes.

In addition, the RFC Group provides full support to DLMI on Business and Marketing development, Trade Marketing, Supply Chain Management, Human Resource Management, Treasury, Food Safety and Dairy Affairs, Quality Control, Internal Audit, Sourcing/ Purchasing Services, Operations Management and ICT.

FCN provides the RFC Group (including DLMI) with shared and ICT project management and communication services for RFC Group's regional SAP and ICT framework via FCSCAP, a Multimedia Super Corridor status company located in Malaysia. The Company, also benefits from ICT and related expertise available from the RFC Group.

DLMI, in turn, provides FCSCAP with shared services support in accounting, human resources, administrative, legal and company secretarial services.

4. EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate will not have any effect on the share capital of DLMI and will not have any financial effects on the gearing, earnings or the net assets of DLMI.

5. CONDITIONS TO THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholder' Mandate is conditional upon the approval of the shareholders of the Company being obtained at the forthcoming AGM to be convened.

6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

None of the Directors or major shareholders of DLMI and/or persons connected to them have any interest, direct or indirect, in the Proposed Shareholders' Mandate pertaining to the Recurrent Related Party Transactions, save and except for the following: -

- (i) Tarang Gupta, Saw Chooi Lee, Bernardus Hermannus Maria Kodden and Jurgen Clemens Johannes Sandmann are the Board representatives of RFC in DLMI. As such, they are deemed interested in the Proposed Shareholders' Mandate.
- (ii) FCDM, a major shareholder holding 50.96% equity interest in DLMI as at 27 February 2019, is wholly-owned by FCCPI, which in turn is a wholly-owned subsidiary of RFC, is deemed interested in the Proposed Shareholders' Mandate pertaining to the Recurrent Related Party Transactions as stated in Section 2.4.

As at 27 February 2019, none of the Directors have any direct or indirect shareholdings in the Company. The direct and indirect shareholdings of the major shareholders and persons connected to them in DLMI as at 27 February 2019 are as follows: -

Name	Direct Interest	%	Indirect Interest	%
Interested Major Shareholder				
FCDM	32,614,800	50.96	-	-
FCCPI	-	-	32,614,800	50.96
RFC	-	-	32,614,800	50.96

Tarang Gupta, Saw Chooi Lee, Bernardus Hermannus Maria Kodden and Jurgen Clemens Johannes Sandmann are representatives of RFC and are deemed interested by virtue of RFC being the holding company of FCCPI, who in turn is the holding company of FCDM, which is the major shareholder of DLMI, holding 50.96% of the equity interest in DLMI. Accordingly, the interested Directors have and will continue to abstain from Board deliberations pertaining to the Proposed Shareholders' Mandate. In addition, the interested Directors will abstain from voting in respect of their direct and indirect shareholdings, if any, in DLMI on the ordinary resolution pertaining to the Proposed Shareholders' Mandate at the forthcoming AGM of DLMI to be convened. The interested Directors shall undertake to ensure that the persons connected with them shall abstain from voting on their direct and/or indirect shareholdings on the ordinary resolution pertaining to the Recurrent Related Party Transactions at the forthcoming AGM.

FCDM will abstain from voting in respect of its direct shareholdings in DLMI in the ordinary resolution on the Proposed Shareholders' Mandate at the forthcoming AGM. FCDM shall ensure that persons connected with it will abstain from voting on the resolution approving the Recurrent Related Party Transactions.

7. DIRECTORS' RECOMMENDATION

The Directors (except for Tarang Gupta, Saw Chooi Lee, Bernardus Hermannus Maria Kodden and Jurgen Clemens Johannes Sandmann, who are deemed interested in the Proposed Shareholders' Mandate), having considered the rationale and benefits of the Proposed Mandate and after careful deliberation, are of the opinion that the Proposed Shareholders' Mandate is in the best interest of the Company and its shareholders. Accordingly, your Directors, (except for Tarang Gupta, Saw Chooi Lee, Bernardus Hermannus Maria Kodden and Jurgen Clemens Johannes Sandmann who are deemed interested in the Proposed Shareholders Mandate) recommend that you vote in favour of the resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM of the Company.

8. AGM

The ordinary resolution to vote on the Proposed Shareholders' Mandate is set out in the Notice of AGM contained in DLMI's 2018 Annual Report. The Fifty-Sixth AGM will be held at Ballroom 2, Level 3D, Sheraton Petaling Jaya Hotel, Jalan Utara C 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Friday, 26 April 2019 at 9 a.m.

If you are unable to attend and vote in person at the AGM, you should complete and return the Form of Proxy enclosed in the 2018 Annual Report, in accordance with the instructions printed therein, to the Company's Share Registrars in care of Boardroom Share Registrars Sdn Bhd (formerly known as Symphony Share Registrars), Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301, Petaling Jaya, Selangor (Helpdesk No 603-78490777, Fax No 603-78418151/8152) not less than twenty-four (24) hours before the time set for the AGM thereof. The completion and lodgement of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

9. FURTHER INFORMATION

Shareholders are requested to refer to Appendix I of this Circular for further information.

Yours faithfully

For and on behalf of the Board of Directors of
DUTCH LADY MILK INDUSTRIES BERHAD

DATO' ZAINAL ABIDIN BIN PUTIH

Chairman and Senior Independent Non-Executive Director

APPENDIX I TO THE CIRCULAR TO SHAREHOLDERS (APPLICABLE TO PART A AND PART B)

FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

The Circular has been reviewed and approved by the Directors of DLMI, and they collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after having made all reasonable inquiries, and to the best of the knowledge and belief, there are no false or misleading statements or other facts, the omission of which could make any statement herein false or misleading.

2. MATERIAL CONTRACTS

There are no material contracts (not being contracts entered into in the ordinary course of business) entered into by DLMI in the two (2) years preceding the date of this Circular.

3. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

DLMI is not engaged either as plaintiff or defendant in any material litigation, claims and arbitration, and the Directors of DLMI do not have any knowledge of any proceeding pending or threatened against DLMI or of any other facts which are likely to give rise to any proceedings which may materially affect the position or business of the Company.

4. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the Registered Office of DLMI at Level 5, Quill 9, Jalan Semangat, 46300 Petaling Jaya, Selangor Darul Ehsan, during normal business hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the forthcoming AGM:-

- (i) Constitution of DLMI; and
- (ii) Audited Financial Statements of DLMI for the two (2) financial years ended 31 December 2017 and 31 December 2018.

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DUTCH LADY MILK INDUSTRIES BERHAD (5063-V)

(Incorporated in Malaysia under the then Companies Ordinances, 1940-1946)

EXTRACT OF ORDINARY RESOLUTION FOR PROPOSED NEW AND RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE.

As Special Business

Item 7: Ordinary Resolution No. 9

To consider and, if thought fit, to pass the following as an Ordinary Resolution:

PROPOSED NEW AND RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE.

"THAT approval be and is hereby given to the Company to enter into and to give effect to the Recurrent Related Party Transactions of a Revenue or Trading Nature as stated in Section 2.4 with the specified classes of Related Parties as stated in Section 2.3 of the Circular to Shareholders dated 28 March 2019 which are necessary for the Company's day-to-day operations subject to the following:-

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders; and
- (ii) the aggregate value of such transactions conducted pursuant to the Shareholders' Mandate during the financial year will be disclosed in the Annual Report for the said financial year;

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

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless by a resolution passed at the Meeting the authority is renewed; or
- (b) the expiration of the period within which the next AGM of the Company subsequent to the date it is required to be held pursuant to Section 340(2) of the Companies Act, 2016 ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary in the best interest of the Company (including executing all such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.

PART B

**STATEMENT TO SHAREHOLDERS IN RELATION TO THE PROPOSED
ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY
("PROPOSED ADOPTION")**



DUTCH LADY MILK INDUSTRIES BERHAD (5063-V)

(Incorporated in Malaysia under the then Companies Ordinances, 1940-1946)

**STATEMENT TO SHAREHOLDERS IN RELATION TO THE PROPOSED ADOPTION OF
THE NEW CONSTITUTION OF THE COMPANY ("PROPOSED ADOPTION")**

1. INTRODUCTION

The Board of Directors ("Board") of DLMI has on 27 February 2019 announced its intention to seek shareholders' approval to adopt a new Constitution of the Company ("Proposed Adoption") at its forthcoming Annual General Meeting ("AGM").

The purpose of this Statement is to provide you with the relevant details of the Proposed Adoption and to seek your approval for the resolution thereto to be tabled at the forthcoming AGM, which will be held at Ballroom 2, Level 3D, Sheraton Petaling Jaya Hotel, Jalan Utara C 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Friday, 26 April 2019 at 9 a.m.

2. DETAILS

Pursuant to Section 36 of the Act, the Board proposes to amend its Constitution in its entirety and substitute the same with a new Constitution after taking into consideration the following:

- (a) The Companies Act 2016 which came into force on 31 January 2017; and
- (b) The updates to Bursa Securities' Listing Requirements.

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

3. RATIONALE OF THE PROPOSED ADOPTION

The Proposed Adoption is primarily for the purposes of streamlining the Company's existing Constitution to be aligned with the new provisions of the Act, recent amendments to the Listing Requirements and to enhance administrative efficiency.

The Board proposes that the Company revoke its existing Constitution in its entirety with immediate effect and in place thereof, adopt the proposed new Constitution of the Company as set out in Appendix II of this Statement.

4. EFFECTS OF THE PROPOSED ADOPTION

The Proposed Adoption will not have any effect on the share capital, substantial shareholders' shareholdings, net assets per share, gearing, or earnings per share of the Company for the financial year ending 31 December 2018.

5. INTEREST OF OUR DIRECTORS, MAJOR SHAREHOLDERS AND OR PERSONS CONNECT WITH THEM

None of the Directors or Major Shareholders of the Company and/or Persons Connected with them has any interest, direct or indirect, in the Proposed Adoption.

6. DIRECTORS' RECOMMENDATION

The Directors having considered the Proposed Adoption and after careful deliberation, are of the opinion that the Proposed Adoption is in the best interest of the Company and its shareholders. Accordingly, your Directors recommend that you vote in favour of the resolution pertaining to the Proposed Adoption to be tabled at the forthcoming AGM of the Company.

7. AGM

The special resolution to vote on the Proposed Adoption is set out in the Notice of AGM contained in DLMI's 2018 Annual Report. The Fifty-Sixth AGM will be held at Ballroom 2, Level 3D, Sheraton Petaling Jaya Hotel, Jalan Utara C 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Friday, 26 April 2019 at 9 a.m.

If you are unable to attend and vote in person at the AGM, you should complete and return the Form of Proxy enclosed in the 2018 Annual Report, in accordance with the instructions printed therein, to the Company's Share Registrars in care of Boardroom Share Registrars Sdn Bhd (formerly known as Symphony Share Registrars), Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301, Petaling Jaya, Selangor (Helpdesk No 603-78490777, Fax No 603-78418151/8152) not less than twenty-four (24) hours before the time set for the AGM thereof. The completion and lodgement of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

9. FURTHER INFORMATION

Shareholders are requested to refer to Appendix I of this Circular for further information.

APPENDIX II TO THE STATEMENT TO SHAREHOLDERS (APPLICABLE TO PART B)

PROPOSED NEW CONSTITUTION OF THE COMPANY

COMPANY LIMITED BY SHARES

The Companies Act, 2016

CONSTITUTION

Of

Dutch Lady Milk Industries Berhad

(A Public Company)

Originally a private company incorporated on 30th May 1963,
under the then Companies Ordinances, 1940-1946,
as Pacific Milk Industries (Malaya) Limited

THE COMPANIES ACT, 2016
MALAYSIA
PUBLIC COMPANY LIMITED BY SHARES
CONSTITUTION
of
DUTCH LADY MILK INDUSTRIES BERHAD

- | | | |
|---|--|-----------------------|
| 1 | The name of the Company is DUTCH LADY MILK INDUSTRIES BERHAD | Name |
| 2 | The Office of the Company shall be situated in Malaysia. | Office |
| 3 | Subject to the provisions of the Act and any other written laws and the Constitution, the Company shall be capable of exercising all the functions of a body corporate and have the full capacity to carry on or undertake any business or activity or do any act or enter into any transaction. | Objects of Company |
| 4 | The Company has the full rights, powers and privileges for the purposes of carrying out the objects as specified under Rule 3 or otherwise permitted by law. | Powers of the Company |
| 5 | The liability of the Members is limited. | Liability of Members |

6 6.1 Definitions and Interpretation

In this Constitution unless the subject matter or context dictates otherwise, the following words and phrases shall have the meaning assigned to them herein:-

“Act” means the Companies Act, 2016 and any statutory modification, amendment or re-enactment thereof and any and every other legislation for the time being in force made thereunder and any written law for the time being in force concerning companies and affecting the Company;

“Alternate Director” means any person who has been appointed and for the time being holds office as an alternate director of the Company in accordance with the provisions of this Constitution;

“Authorised Nominee” means a person who is authorised to act as nominee as specified under the CD Rules;

“Beneficial Owner” in relation to Deposited Securities, means the ultimate owner of the Deposited Securities who is the person who is entitled to all rights, benefits, powers and privileges and is subject to all liabilities, duties and obligations in respect of, or arising from, the Deposited Securities, and does not include a nominee of any description;

“Board” means the board of Directors of the Company whose number not less than the required quorum acting as a board of directors, and if the Company only has one (1) Director, then that Director;

"CD Rules" shall have the meaning ascribed to it in Section 2 of the Central Depositories Act 1991 and every statutory amendment, modification or re-enactment thereof for the time being in force;

"Central Depository" means Bursa Malaysia Depository Sdn. Bhd. and its successors in title and permitted assigns;

"Company" means Dutch Lady Milk Industries Berhad;

"Constitution" means this constitution as originally framed or as altered from time to time by Special Resolution;

"Deposited Securities" means Securities standing to the credit of a Securities Account and includes Securities in a Securities Account that is in suspense;

"Depositor" means a holder of a Securities Account;

"Director" means a person who has been appointed and for the time being holds office as a director of the Company in accordance with the provisions of the Act and this Constitution and, unless the context otherwise provides or requires, includes an Alternate Director;

"Electronic Address" means any electronic mail address or mobile or contact number used for the purpose of sending or receiving documents or information by electronic means;

"Electronic Communication" include, but shall not be limited to, unless the contrary intention appears, references to delivery of documents or information in Electronic Form by electronic means to the Electronic Address or any other address or number of the addressee, as permitted by the law;

"Electronic Form" means document or information sent by Electronic Communication or by any other means whereby a recipient of such document or information would be able to retain a copy;

"Exempt Authorised Nominee" means an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of subsection 25A(1) of the Central Depositories Act;

"General Meeting Record of Depositors" means the Record of Depositors as at the latest date which is reasonably practicable which shall in any event be not less than three (3) Market Days before a general meeting and issued by the Central Depository to the Company;

"Independent Director" shall have the meaning ascribed to it in the Listing Requirements;

"Jumbo Certificate" shall have the meaning ascribed to it in the Central Depository Act;

"Listed" means admitted to the Official List, and "listing" shall be construed accordingly;

"Listing Requirements" means the Main Market Listing Requirements of Bursa Malaysia Securities Berhad including any amendment or modification to the same that may be made from time to time;

"Market Day" means any day between Mondays to Fridays which is not a market holiday of the stock exchange or a public holiday;

"Member" means any person for the time being registered as the holder of shares in the share capital of the Company in the Register of Members (except Bursa Malaysia Depository Sdn. Bhd. in its capacity as bare trustee) and any Depositor whose name appears on the Record of Depositors and who has a credit balance of shares in the Company in his or her Securities Account who shall be treated as if he were a Member pursuant to Section 35 of the Central Depositories Act;

"Ordinary Resolution" shall have the meaning ascribed to it in Section 291 of the Act;

"Office" means the registered office for the time being of the Company;

"Official List" means a list specifying all Securities which have been admitted for listing on the Stock Exchange and not removed;

"Official Seal" means the official seal of the Company;

"Record of Depositors" means a record provided by the Central Depository to the Company pursuant to an application under chapter 24.0 of the CD Rules;

"Register of Members" means the register of members to be kept pursuant to the Act;

"Rule" means a rule contained in this Constitution;

"Seal" means the common seal of the Company;

"Secretary" means any person or persons appointed to perform the duties of the secretary of the Company and shall include a joint, temporary, assistant or deputy secretary;

"Securities" means securities as defined in Section 2 of the Capital Markets and Services Act 2007 or any modification, amendment or re-enactment thereof for the time being in force;

"Securities Account" means an account established by the Central Depository for a Depositor for the recording of deposits of Securities and for dealing in such Securities by the Depositor as defined in the Central Depositories Act and/or the CD Rules;

"Securities Regulations" means the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 or any modification, amendment or re-enactment thereof for the time being in force;

"Special Resolution" shall have the meaning ascribed to it in Section 292 of the Act;

"Stock Exchange" means Bursa Malaysia Securities Berhad and its successors in title and permitted assigns; and

"Year" means a calendar year commencing from the 1st January to the 31st December inclusive.

6.2 Writing shall include printing and lithography and any other mode or modes of representing or reproducing words, letters, figures or marks in a visible form or in any other form or manner, whether in hard copy or in Electronic Form sent by way of an Electronic Communication or otherwise in a form that allows the document and/or information to be easily accessible and reproduced into written, electronic or visible form.

Interpretation

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

6.4 Words importing persons shall include corporations.

6.5 Words importing the masculine gender include the feminine and neuter gender and vice versa.

6.6 References to any legislation or any statutory provision shall include:

- (a) any amendments or re-enactments thereof for the time being in force; and
- (b) all rules, regulations, orders, notices or subsidiary legislations made thereunder.

6.7 Subject as aforesaid, any words or expressions defined in the Act shall, except where the subject or context forbids, bear the same meanings in this Constitution.

6.8 The marginal notes and headings in this Constitution are inserted for convenience and shall not affect the construction of this Constitution unless there be something in the subject or context inconsistent therewith.

SHARES

- 7 The Company's share capital is divided into ordinary shares. The Company may also allot preference shares or convert any issued shares into preference shares.

Share
Capital of
the
Company

8 8.1 Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares but subject to the provisions of the Act and of these Rules and the provisions of any resolution of the Company:- Issue of shares and securities

- (a) all shares shall be under the absolute control of the Directors who may allot or otherwise dispose of the same to such persons on such terms and conditions and for such consideration and at such time and subject or not to the payment of any part of the amount thereof in cash and with full power to give to any person the call of any shares either at par or at a premium as the Directors may determine;
- (b) any convertible securities or any shares may be issued by the Directors with such preferential, deferred, qualified or special rights, privileges or conditions or pursuant to any option granted by the Company as the Directors may think fit and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors provided always that:-
 - (i) no shares shall be issued to transfer a controlling interest in the Company without the prior approval of the Company in general meeting;
 - (ii) no shares shall be issued at a discount, except in accordance with the Act;
 - (iii) 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. 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, will be deemed to be declined, and after the expiration of that time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new shares or securities 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 these Rules;

- (iv) no shares or convertible securities shall be issued if the nominal value of those shares or convertible securities, when aggregated with the nominal value of any such shares or convertible securities issued during the preceding 12 months, exceeds 10% of the nominal value of the issued and paid-up capital of the Company, except where the shares or convertible securities are issued with the prior approval of the Company in general meeting of the precise terms and conditions of the issue;
- (v) except in an issue of shares and/or securities on a pro rata basis to shareholders, every issue of shares or other convertible securities to Directors and/or any person who for the purpose of the Listing Requirements is a major shareholder, or regarded as a person connected with any Director or major shareholder shall be approved by the Company in general meeting of the specific allotment to be made to such person(s), where the notice of meeting shall state the number of securities to be so allotted, the precise terms and conditions of the issue, the purpose of allotment and the identity and relationship of the connected person(s) with the Director or major shareholder, where applicable, and that such Directors, major shareholders, and connected persons shall abstain from exercising any voting rights and in addition, in the case of an issue of shares to employees, only Directors holding office in an executive capacity shall participate in such issue of shares; and
- (vi) any issue of shares for cash to Members holding shares of a particular class shall be offered to such Members in proportion, as nearly as may be, to the number of shares of such class then held by them and the provisions of the second and third sentences of Rule 8(b)(iii) mutatis mutandis shall apply.

Notwithstanding Rules 8.1(b)(iii) and 8.1(b)(vi), the Company may apply to the Exchange on which the Company is listed, to waive the convening of an extraordinary general meeting to obtain shareholders' approval for further issues of shares (other than bonus or rights issues) where the aggregate issues in any one financial year do not exceed 10% of the issued capital.

Application
for waiver

8.2 Subject to Rule 8.4, the Company shall have the power with the sanction of an ordinary resolution, to issue preference shares which may carry a right of redemption out of profits or liable to be redeemed at the option of the Company or to issue preference shares ranking equally with or in priority to preference shares already issued and the Directors may, subject to the provisions of the Act, redeem such shares on such terms and in such manner either at par or at a premium as they may think fit.

Issue of
preference
shares

8.3 Preference shareholders shall:

Rights of
preference
shareholders

- (a) have the same rights as ordinary shareholders as regards the receiving of notices, reports and audited accounts and attending general meetings of the Company; and
- (b) have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the whole of the property, business and undertaking of the Company or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend (or part thereof) on the preference shares is more than 6 months in arrears or at any time during winding up.

8.4 The repayment of preference capital other than redeemable preference shares, or any other alteration of preference shareholders' rights, may only be made pursuant to a special resolution of the preference shareholders concerned, provided always that where the necessary majority for such a special resolution is not obtained at the meeting, the consent in writing, if obtained from the holders of three fourths of the preference shareholders concerned within 2 months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.

Alteration of
preference
shareholders
' rights

8.5 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall, unless otherwise expressly provided by the terms of issue of that class of shares, be deemed to be varied by the creation or issue of further shares ranking equally therewith.

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| 9 | Where the capital of the Company consists of shares of different monetary denominations, voting rights shall be prescribed in such a 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. | Voting rights of shares of different monetary denominations |
| 10 | <p>10.1 Subject to the provisions of the Act, Listing Requirements and this Constitution, the Directors may issue shares in the Company on such terms and conditions and at such time and consideration and with such preferred, deferred, or other special rights, restrictions or exclusions, whether in regard to dividend, voting, return of capital, or otherwise as the Directors may determine PROVIDED HOWEVER that:</p> <p>(a) shares in the Company shall not be issued to transfer a controlling interest in the Company without the prior approval of shareholders in meeting of Members;</p> <p>(b) in the case of shares other than ordinary shares, no special rights shall be attached until the same has been expressed in this Constitution.</p> <p>The exercise of the aforesaid rights shall be without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares.</p> <p>10.2. Subject to sub-Rule 10.3, the Directors shall not exercise any power to:</p> <p>(a) allot shares in the Company;</p> <p>(b) grant rights to subscribe for shares in the Company;</p> <p>(c) convert any securities into shares in the Company; or</p> <p>(d) allot shares under an agreement or option or offer,</p> <p>unless the prior approval by way of Ordinary Resolution has been obtained.</p> <p>10.3 Subject to the provisions of the Act, Listing Requirements and this Constitution, the requirement in sub-Rule 10.2 shall not apply to:</p> <p>(a) an allotment of shares or grant of rights pursuant to an offer made to Members in proportion to the Members' shareholdings;</p> <p>(b) an allotment of shares or grant of rights pursuant to a bonus issue of shares to Members in proportion to the Members' shareholdings;</p> <p>(c) an allotment of shares to a promoter of the Company that the promoter has agreed to take; or</p> <p>(d) shares which are to be issued as consideration or part consideration for the acquisition of shares or assets by the Company and the Members have been notified of the</p> | Authority of Directors to allot shares |

intention to issue the shares at least fourteen (14) days before the issue of the shares.

10.4. For the purposes of sub-Rule 10.3(d), Members of the Company are deemed to have been notified of the Company's intention to issue shares if:

- (a) a copy of the statement explaining the purpose of the intended issue of shares has been sent to every Member at his last known address according to the Record of Depositors; and
- (b) the copy of the statement has been advertised in one (1) widely circulated newspaper in Malaysia in the national language and one (1) widely circulated newspaper in Malaysia in the English language.

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| 11 | Notwithstanding Rule 10 above, a Director or chief executive officer shall not be issued shares or other convertible Securities unless the Members in meeting of Members have approved of the specific allotment to be made to such Director or chief executive officer. | Approval of meeting of Members required for specific allotment to Directors |
| 12 | Subject to any direction to the contrary that may be given by the Company in meeting of Members, any shares or other convertible Securities proposed to be issued shall before they are issued be offered to such persons as are at the date of the offer entitled to receive notices from the Company of meeting of Members in proportion as nearly as the circumstances admit, to the amount of the existing shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of shares or convertible Securities offered and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or convertible Securities offered, the Directors may dispose of those shares or convertible Securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new shares or convertible Securities which (by reason of the ratio which the new shares or convertible Securities bear to shares or Securities held by the persons entitled to an offer of new shares or convertible Securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution. Notwithstanding the above, the Directors shall not be required to offer any new shares or other convertible Securities from time to time to be created to the holders of the existing shares where the said shares or convertible Securities are to be issued as consideration or part consideration for the acquisition of shares, convertible Securities or assets by the Company. | Pre-emption rights of Members |

- | | | |
|----|---|---|
| 13 | <p>Subject to the provisions of the Act, the Central Depositories Act and the CD Rules, the Company shall issue, allot Securities and despatch notices of allotment to the allottee and make an application for the quotations of such Securities:</p> <p>13.1. within eight (8) Market Days of the final applications closing date for a public issue; or</p> <p>13.2. within eight (8) Market Days of the final applications closing date for a rights issue; or</p> <p>13.3. within eight (8) Market Days of the book closing date for a bonus issue; or</p> <p>13.4. within eight (8) Market Days of the date of receipt of a notice of the exercise of an option together with the requisite payment for a share scheme for employees; or</p> <p>13.5. within eight (8) Market Days of the date of receipt of a subscription form together with the requisite payment for conversion or exercise in respect of convertible Securities; or</p> <p>13.6. such other period as may be prescribed under the Listing Requirements or by the Stock Exchange from time to time.</p> | Allotment and despatch of notices of allotment |
| 14 | <p>Subject to the Listing Requirements and notwithstanding the existence of a resolution pursuant to Section 75(1) and Section 76(1) of the Act, the Company shall not issue any shares or convertible Securities if the total number of those shares or convertible Securities when aggregated with the total number of any such shares or convertible Securities issued during the preceding twelve (12) months, exceed ten per cent (10%) of the total number of issued shares of the Company, except where the shares or convertible Securities are issued with the prior approval of the Company in meeting of Members of the precise terms and conditions of the issue.</p> | Approval with precise terms and conditions |
| 15 | <p>The Company (or the Directors on behalf of the Company) may exercise the powers of paying commissions conferred by Section 80 of the Act, provided that the commission paid or agreed to be paid shall not exceed ten per cent (10%) of the price at which the shares in respect of which the commission is paid are issued and shall be disclosed in the manner required by that Section. The Company (or the Directors on behalf of the Company) may on any issue of shares pay such brokerage as may be lawful.</p> | Power of paying commission |
| 16 | <p>Subject to the restrictions and requirements in Section 130 of the Act being observed, where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a long period, the Company may pay interest or returns on the amount of such share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in the Act, and may charge the same to capital as part of the cost of construction or provision.</p> | Shares issued for the purposes of raising money for the construction of works or building |

- 17 Subject to the Central Depositories Act and the CD Rules, Joint holders of shares where two or more persons are registered as joint holders of any Security, they shall be deemed to hold the same as joint holders with benefit or survivorship subject to the following provisions:
- 17.1. the Company shall not be bound to register more than three (3) persons as the holders of any Security except in the case of legal personal representatives of a deceased Member;
- 17.2. the joint holders of a Security shall be liable severally as well as jointly in respect of all calls and other payments which ought to be made in respect of such Security;
- 17.3. on the death of any one of such joint holders the survivor or survivors shall be the only person or persons recognised by the Company as having any title to such Security but the Directors may require such evidence of death as they may deem fit;
- 17.4. any one of such joint holders may give effectual receipts for any dividends and payment on account of dividend, bonus, return of capital and other moneys payable in respect of such Security.
- Only the person whose name stands first in the Register of Members as one of the joint holders of any Security shall be entitled to delivery of the certificate relating to such security or to receive notices from the Company and any notice given to such person shall be deemed notice to all the joint holders.
- 18 Except as authorised by law, no person shall be recognised by the Company as holding any Securities upon any trust, and the Company shall not be bound by or required to recognise any equitable, contingent, future or partial interest in any Securities or (except only as by this Constitution, the CD Rules, the Act, by law otherwise provided or pursuant to any order of court) any interest in any fractional part of a Security or any other right in respect of any Securities, except an absolute right to the entirety thereof in the registered holder. Trusts not to be recognised
- 19 The Company must not cause or authorise its share registrars to cause the allottees to be credited with the additional Securities until after the Company has filed with the Stock Exchange any applications for listing such additional Securities and has been notified by the Stock Exchange that the additional Securities had been authorised for listing Crediting Securities after Stock Exchange filing

- 20 Unless otherwise provided in the Act, the Company shall not: Financial assistance
- 20.1 give any financial assistance, whether directly or indirectly and whether by means of a loan, guarantee or provision of security or otherwise, for the purpose of or in connection with a purchase or subscription made or to be made by any person for:
- (a) any shares in the Company; or
- (b) any shares in the holding company, if any, of the Company or in any way purchase, deal in or lend money on its own shares; or
- 20.2 give financial assistance, directly or indirectly for the purpose of reducing or discharging the liability, if:
- (a) a person has acquired shares in the Company or its holding company, if any; and
- (b) the liability has been incurred by any person for the purpose of the acquisition of the shares.
21. The Company must comply with the relevant requirements of the Act and the Listing Requirements if it proposes to give financial assistance or purchase or deal in or lend money on its own shares in any manner which is permitted under the Act and the Listing Requirements.

SHARE CERTIFICATE

22. The Company may issue Jumbo Certificates in respect of shares or Securities in favour of the Central Depository as may be directed by the Securities Commission Malaysia or the Central Depository 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 Central Depository Act and the CD 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 bear the facsimile signature of at least one Director and a second Director or the Secretary or some other person appointed by the Directors, and shall specify the number and class of shares or securities to which it relates and the issue price of the shares or Securities. Jumbo Certificate

LIEN

- 23 Subject to the Act, the Central Depositories Act and the CD Rules, the Company shall have a first and paramount lien on every share (not being a fully paid share) and the distributions, including dividends from time to time declared on such shares. The Company's lien on shares and the distributions shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the company may be called upon by law to pay and has paid in respect of the shares of the Member or deceased Member. The lien shall have priority over all debts, obligations, engagements, and liabilities of any such Member to or with any other person notwithstanding that any such debt, obligation, engagement, or liability was incurred or undertaken prior to the date when any debt, obligation, Lien on shares and distributions

engagement, or liability to the Company in respect of which the Company may claim to exercise the lien conferred by this Rule was incurred.

- 24 Subject to the Act, the Central Depositories Act and the CD Rules, the Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen (14) days after a notice in writing, stating and demanding payment of the sum presently payable and giving notice of intention to sell in default, shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy. Power to enforce lien by sale
- 25 To give effect to any such sale, the Directors may authorise some person to transfer subject to the Act, the Central Depositories Act and the CD Rules, the shares sold to the purchaser of the shares who shall be registered as the holder of the shares comprised in any such transfer and the Directors shall not be bound to see to the application of the purchase money. The title of the purchaser to the shares shall not be affected by any irregularity or invalidity in the proceedings in reference to the sale. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable and any residue shall be paid to the person entitled to the share at the date of the sale, subject to a similar lien for the sums nor presently payable which exists over the shares before the sale. Application of proceeds of sale

CALLS ON SHARES

- 26 Unless by the conditions of allotment, calls on shares are made payable at fixed times, the Directors may, from time to time and as they think fit, make such calls upon the Members in respect of all moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) provided that at least 14 days' notice specifying the time and place for payment, is given of each call, and each Member shall be liable to pay the amount of calls so made to the persons and at the times and places specified by the Directors, but no call shall be made payable at less than 1 month from the date fixed for payment of the last preceding call. A call may be revoked or postponed as the Directors may determine. Directors' discretion to make calls
- 27 A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments. A call may be revoked or postponed as the Directors may determine. Call deemed made

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| 28 | If the call payable in respect of any share be not paid before or on the day appointed for payment thereof, the holder for the time being of such share shall be liable to pay interest for the same at such rate, not exceeding 10% per annum as the Directors shall appoint, from the day appointed for the payment thereof to the time of actual payment. The Directors may, if they think fit, waive the payment of any interest as aforesaid or any part thereof. | Compensation for late payment of calls |
| 29 | At the trial or hearing of any action for the recovery of any money due for any call, it shall be sufficient to prove that the name of the Member sued is entered in the Register of Members of the Company or the Record of Depositors as the holder of the shares in respect of which such debt accrued, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member sued in pursuance of these Rules and the proof of the matters aforesaid shall be conclusive evidence of the debt. It shall not be necessary to prove the appointment of Directors who made such call nor any other matters whatsoever. | Evidence in action for call |
| 30 | The Directors may, on the issue of shares, differentiate between the holders in the amount of calls to be paid and in the times of payment. | Arrangements for calls on shares |
| 31 | The Directors may, if they think fit, receive from any Member all or any part of the monies uncalled and unpaid upon any shares held by him, and upon all or any of the monies so advanced may (until the same would but for such advance become presently payable) pay a return at such rate, not exceeding (unless the Company in meeting of Members shall otherwise direct) eight per cent (8%) per annum, as may be agreed upon between the Directors and the Member. Capital paid on shares in advance of calls shall not confer a right to participate in profits. | Payment of calls in advance |

TRANSFER OF SHARES

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| 32 | Subject to this Constitution, the CD Rules and except as may be required by law, there shall be no restriction on the transfer of fully paid-up Listed Securities in the Company. | No restriction on transfer of fully paid up Listed Securities |
| 33 | The transfers of any Listed Securities or class of Listed Securities in the Company shall be by way of book entry by the Central Depository in accordance with the CD Rules and, notwithstanding Sections 105, 106 or 110 of the Act, but subject to Subsection 148(2) of the Act and any exemptions that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the Listed Securities. | Transfer of Securities. |

- 34 Neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of Listed Securities although the same may, by reason of any fraud or other cause not known to the Company or its Directors or other officers, be legally inoperative or insufficient to pass the property in the Listed Securities proposed or professed to be transferred, and although the transfer may, as between the transferor and the transferee, be liable to be set aside. In every such case, the person registered as transferee, his executors, administrators and assignees, subject to compliance with the Act, the Central Depositories Act and the CD Rules, alone shall be entitled to be recognised as the holder of such Listed Securities and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.

Company and Directors not liable if transfer of Securities inoperative due to fraud

TRANSMISSION OF SHARES

- 35 In case of the death of a Member, the legal representatives of the deceased holder shall subject to such legal representatives' compliance with all the requirements of the Rules and having been recorded in the Record of Depositors as the Depositor in lieu of the deceased holder, be the only persons recognised by the Company as having any title to the deceased's interest in any Securities, but nothing herein shall release the estate of the deceased Member from any liability in respect of any Securities which had been held by the deceased.
- 36 Any person becoming entitled to a Security in consequence of the death or bankruptcy or insolvency of any Member may, upon such evidence being produced as may from time to time properly be required by the Central Depository and the Rules and the subject as hereinafter provided and if permitted by the Rules, elect either to be registered himself as the holder of the Security or to have some person nominated by him registered as the transferee thereof, but the Central Depository shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the Security by that Member before his death or bankruptcy or insolvency (as the case may be). Subject to the Central Depository Act and the Rules, a transfer or withdrawal of the Security may be carried out by the person becoming so entitled.

Death of Member

Rights on death or bankruptcy or insolvency

- 37 If the person so becoming entitled elects to be registered himself as the holder of the Security, he shall deliver or send to the Company and the Central Depository a notice in writing signed by him stating that he so elects. If he elects to have another person registered, he shall testify his election by executing to that person a transfer (in such form as required by the Rules) of the Security. All the limitations, restrictions and provisions of these Rules relating to the right to transfer and the registration of transfers of Securities shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy or the insolvency (as the case maybe) of the Member had not occurred and the notice or transfer were a transfer executed by such Member. Notice of election
- 38 Save as otherwise provided by or in accordance with these Rules, a person becoming entitled to a Security in consequence of the death or bankruptcy of a Member shall subject to the said person having been recorded in the Record of Depositors as the Depositor in lieu of the deceased or bankrupt or insolvent Member (as the case may be) and upon the production of such evidence as may from time to time be properly required by the Directors in that behalf, be entitled to the same dividends and other advantages and to the same rights (whether in relation to meetings of the Company or to voting or otherwise) as the registered holder would have been entitled to if he had not died or become bankrupt or insolvent (as the case may be). Dividends and voting powers
- 39 Subject to the Act, the Central Depositories Act and the CD Rules, fees may be charged by the Company or the Central Depository in respect of the registration of any instrument of transfer or probate or letters of administration or certificate of marriage or death or a stop notice or power of attorney or other document relating to or affecting the title to any Listed Securities or otherwise for making an entry in the Register of Members or Record of Depositors affecting the title to any Listed Securities but only to the extent permitted by law. Fees for registration
- 40 Where the Securities of the Company are listed on another stock exchange and the Company is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories) Act 1998, as the case may be, under the CD 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. Transmission of Securities from foreign register

FORFEITURE OF SHARES

- 41 If a Member fails to pay any call or instalment of a call on or before the day appointed for the payment thereof, the Directors may at any time thereafter whilst any part of such call or instalment remains unpaid, serve a notice on him or on the person entitled to the share by transmission requiring payment of the amount unpaid, together with any interest or compensation which may have accrued. Notice to pay calls
- 42 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 on which the call was made will be liable to be forfeited. Form of Notice
- 43 If the requirements of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may, at any time thereafter but before payment of all calls, interests and expenses due in respect thereof have been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends in respect of the forfeited shares not actually paid before the forfeiture. The Directors may accept a surrender of any shares liable to be forfeited hereunder. Forfeiture for non-payment
- 44 Subject to the Central Depositories Act and the CD Rules, a forfeited share may be sold or otherwise disposed, either to the person who was before forfeiture the holder thereof or entitled thereto, or to any other person, upon such terms and in such manner as the Directors shall think fit, and at any time before the sale or disposal the forfeiture may be cancelled on such terms as the Directors think fit. Share forfeited may be sold or disposed
- 45 Any Member whose shares have been forfeited or surrendered shall cease to be a Member in respect of the forfeited shares but shall, notwithstanding the forfeiture or surrender, be liable to pay the Company all calls, instalments, interests and expenses owing upon such shares at the time of forfeiture or surrender together with interests thereon, at such rate, not exceeding 10% per annum, as the Directors may decide from time to time, until the date of payment but the Directors may, if they shall think fit, waive the payment of such interests or any part thereof. Liability on forfeiture
- 46 A statutory declaration in writing that the declarant is a Director or the Secretary, and that a share has been duly forfeited 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 share, and such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale or disposal thereof shall constitute a good title to the share, and subject to the Central Depositories Statutory declaration as conclusive evidence and sale of shares forfeited

Act and the CD Rules, the person to whom the share is sold or disposed shall be registered as the holder thereof, and his title to the share shall not be affected by any irregularity or invalidity in the proceedings relative to the forfeiture, sale or disposal of the share. Subject to any lien for sums not presently payable, if any share is forfeited and sold or disposed, any residue of the proceeds of sale or disposal of shares which are forfeited after the satisfaction of the unpaid calls or instalments payable and accrued interest or compensation, shall be paid to the person entitled to the shares immediately before the forfeiture thereof or to his executors, administrators, or assignees or as he directs.

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| 47 | The provisions of Rules 41 to 46 shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable to the company at a fixed date, as if the shares had been payable by virtue of a call duly made and notified. | Application of forfeiture provisions |
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CONVERSION OF SHARES INTO STOCK

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| 48 | The Company may by Special Resolution convert any paid-up shares into stock and reconvert any stock into paid-up shares of any number. | Conversion of shares into stocks |
| 49 | The stockholders may transfer the stocks or any part of the stocks in the same manner as the transfer of shares from which the stock arose may, before the conversion, have been transferred or in the closest manner as the circumstances allow. The Directors may fix the minimum amount of stock transferable and may restrict or forbid the transfer of fractions of that minimum. | Holder of stocks may transfer their interests |
| 50 | The stockholders shall, according to the amount of the stock held by the stockholders, have the same rights, privileges and advantages with regards dividends, voting at meetings of the Company and other matters as if the stockholders held the shares from which the stock arose. Notwithstanding, no privilege or advantage except participation in the dividends and profits of the Company and in the assets on winding up shall be conferred by any such part of stock which would not, if existing in shares, have conferred that privilege or advantage. | Participation in dividends and profits |
| 51 | Any reference in the Act and this Constitution applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" or "Member" shall include "stock" and "stockholder" respectively. | Application of this Constitution |

PURCHASE OF OWN SHARES

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| 52 | Subject to the Act, the Listing Requirements, the Central Depository Act, the CD Rule, this Constitution and any rules or guidelines of any other relevant authorities, the Company may, with the sanction of an Ordinary Resolution of the Members in meeting of Members, purchase its own shares. | Company may purchase its own shares |
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| 52 | <p>The Company shall not purchase its own shares unless:</p> <p>52.1. the Company is solvent at the date of the purchase and will not become insolvent by incurring the debts involved in the obligation to pay for the shares so purchased;</p> <p>52.2. the purchase is made through the stock exchange on which the shares of the Company are quoted and in accordance with the relevant rules of the stock exchange; and</p> <p>52.3. the purchase is made in good faith and in the interests of the Company.</p> <p>and any shares in the Company so purchased by the Company shall be dealt with as provided by the Act, the Listing Requirements and/or other relevant authority.</p> | <p>Conditions for purchasing own shares</p> |
| 53 | <p>Notwithstanding sub-Rule 52.2, the Company may purchase its own shares otherwise than through a stock exchange if the purchase is:</p> <p>53.1. permitted under the relevant rules of the stock exchange; and</p> <p>53.2. made in accordance with such requirements as may be determined by the stock exchange.</p> | <p>Purchase of own shares otherwise than through a stock exchange</p> |

ALTERATIONS OF CAPITAL

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| 54 | <p>Subject to the Listing Requirements, the Company may alter its share capital in any one or more of the following ways by passing a Special Resolution to:</p> <p>54.1. consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived;</p> <p>54.2. convert all or any of its paid-up shares into stock and reconvert that stock into fully-paid shares;</p> <p>54.3. subdivide its shares or any of its shares, whatever is in the subdivision, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived; or</p> <p>54.4. reduce its share capital in any manner subject to the requirements and consents required, and with any incident authorised, under the Act and Listing Requirements.</p> | <p>Alteration of capital by Special Resolution</p> |
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INCREASE OF CAPITAL

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| 55 | The Company in meeting of Members may from time to time by Ordinary Resolution increase its capital by such sum, to be divided into shares as the resolution shall prescribe. | Increase of share capital |
| 56 | The Company may simultaneously with the resolution increasing the capital or at any time thereafter give any lawful directions as to the issue of the new shares. In default of any such direction, or so far as the same shall not extend, the new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the shares in the original share capital. | Directions pursuant to issuance of new shares |

MODIFICATION OF RIGHTS

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| 57 | Subject to sub-Rule 8.3, if 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 the shares of that class) may be varied by a written consent representing not less than seventy five per centum (75%) of the total voting rights of the shareholders in that class, or by a Special Resolution passed by shareholders in that class sanctioning the variation. | Variation of shareholders' rights |
| 58 | <p>For the purposes of Rule 57:</p> <p>58.1. any amendment of a provision contained in the Constitution for the variation of the rights attached to a class of shares or the rights of a class of Members, or the insertion of any such provision into the Constitution, is itself to be treated as a variation of those rights;</p> <p>58.2. references to the variation of rights attached to a class of shares or the rights of a class of Members include an abrogation of those rights; and</p> <p>58.3. the issue by the Company of any preference shares ranking equally with existing preference shares issued by the Company shall be deemed to be a variation of the rights attached to those existing preference shares unless the issue of preference shares was authorised by the terms of issue of the existing preference shares or by this Constitution in force at the time the existing preference shares were issued.</p> | |
| 59 | <p>The provisions of the Act and this Constitution relating to meetings of Members shall apply to a meeting of holders of a class of shares convened to sanction a variation of class rights but the quorum shall be:</p> <p>59.1. for a meeting other than an adjourned meeting, two (2) persons present holding at least one-third (1/3) of the number of issued shares of that class, excluding any shares of that class held as treasury shares; and</p> <p>59.2. for an adjourned meeting, one (1) person present holding shares of such class.</p> | Quorum for sanctioning variation of class rights |

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| 60 | For the purposes of Rule 59, where a person is represented by a proxy or proxies, he is treated as holding only the shares held in respect of which the proxy or proxies are authorised to exercise voting rights. | Shareholders represented by proxy |
| 61 | At a variation of class rights meeting, any holder of shares of such class or any Member present in person or by proxy, as the case may be, may demand a poll and every such holder shall on a poll have one (1) vote for every share of the class held by him. | Demanding a poll |
| 62 | A variation of class rights shall take effect in accordance with the Act | |
| 63 | The Company shall have the power to issue further preference capital ranking equally with or in priority to preference shares already issued provided always that the Company shall only issue further preference capital ranking in priority to preference shares already issued with the consent of the existing preference shareholders at a class meeting. | Issuance of preference shares ranking equally or in priority |

MEETINGS OF MEMBERS

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| 64 | <p>The Company shall hold an annual general meeting in every calendar year, which shall be held within six (6) months of the Company’s financial year end and not more than fifteen (15) months after the last preceding annual general meeting, at such time and place as may be determined by the Directors, in addition to any other meetings held during that period, to transact the following business:</p> <p>64.1. the laying of audited financial statements and the reports of the Directors and auditors;</p> <p>64.2. the election of Directors in place of those retiring;</p> <p>64.3. the appointment and the fixing of the fees and benefits of Directors; and</p> <p>64.4. any resolution or other business of which notice is given in accordance with the Act or this Constitution.</p> | Annual general meeting |
| 65 | <p>65.1 A meeting of Members may be convened by:</p> <p>(a) the Board; or</p> <p>(b) any Member holding at least ten per centum (10%) of the issued share capital of the Company.</p> <p>65.2 The Directors shall call a meeting of Members once they receive a requisition to do so from Members representing at least ten per centum (10%) of the paid up capital of the Company carrying the right of voting at meetings of Members of the Company.</p> <p>65.3. The requisition referred to in sub-Rule 65.2:</p> <p>(a) shall be in hard copy or electronic form;</p> | Convening of meeting of Members |

(b) shall state the general nature of the business to be dealt with at the meeting;

(c) may include the text of a resolution that may properly be moved and is intended to be moved at the meeting; and

(d) shall be signed or authenticated by the person making the requisition.

65.4 For the purposes of sub-Rule 65.2, the right of voting shall be determined as at 5.00 p.m. on the date the requisition is deposited with the Company.

65.5 The Directors shall:

(a) call for the meeting within fourteen (14) days from the date of the requisition under sub-Rule 65.2 and

(b) hold the meeting on a date which is not more than twenty-eight (28) days after the date of the notice to convene the meeting.

65.6 If the requests received by the Company identify a resolution intended to be moved at the meeting, the notice shall include the text of the resolution.

65.7 If the resolution is to be proposed as a Special Resolution, the Directors shall be considered as not having duly called for the meeting if the notice of the resolution is not given in accordance with section 292 of the Act.

65.8 If the Directors are required to call a meeting of Members under sub-Rule 65.2 and do not do so in accordance with sub-Rule 65.5, the Members who requisitioned the meeting or any number of Members representing more than one half (1/2) of the total voting rights of all of the Members who requisitioned, may call for a meeting of Members. The meeting shall be convened by the Members on a date not more than three (3) months after the date on which the Directors received a requisition under sub-Rule 65.2 to call for a meeting of Members.

65.9. The meeting convened pursuant to sub-Rule 65.8 shall be convened in the same manner, as nearly as possible, as that in which meetings are requisitioned to be convened by the Directors.

65.10. Any reasonable expenses incurred by the Members requisitioning the meeting by reason of the failure of the Directors to call a meeting shall be reimbursed by the Company.

65.11 Any sum so reimbursed pursuant to sub-Rule 65.10 shall be retained by the Company out of sums due or to become due from the Company by way of fees or other remuneration in respect of the services of the Directors as who were in default.

- 66 66.1 The Company may convene a meeting of Members at more than one (1) venue using any technology or method that enables the Members of the Company to participate and to exercise the Members' right to speak and vote at the meeting. Venue of meeting of Members
- 66.2 The main venue of the meeting shall be in Malaysia and the Chairman shall be present at the main venue.
- 66.3 If the Company decides to proceed with the meeting of Members in accordance with sub-Rule 66.1, a Member present at the separate meeting venue is taken to be present at the meeting of Members and entitled to exercise all rights as if he was present at the main venue if a separate meeting venue is linked to the main venue of a meeting of Members by an instantaneous audio-visual communication device facilities which, by itself or in conjunction with other arrangements:
- (a) gives the general body of Members in the separate meeting place a reasonable opportunity to participate in proceedings in the main place;
 - (b) enables the chairman to be aware of proceedings in the other venue; and
 - (c) enables the Members in the separate meeting venue to vote on a poll,
- 66.4. If, before or during the meeting of Members, any technical difficulty occurs whereby one or more of the matters set out in sub-Rule 66.3 is not satisfied, the chairman may, without the consent of the meeting:
- (a) adjourn the meeting of Members until the difficulty is remedied; or
 - (b) continue to hold the meeting of Members in the main venue (and any other place in accordance with sub-Rule 66.3 and transact business, and no Member present in person or by proxy, attorney or representative may object to the meeting of Members being held or continuing.
- 66.5. Under no circumstances will the fact that the audio-visual communication facilities referred to in sub-Rule 66.3 were not operational (whether in whole or in part) either at the start of or during a meeting of Members affect the validity of the meeting of Members or any business conducted at the meeting of Members.
- 67 67.1 Subject to the Act, the notices convening a meeting shall be given to all Members at least fourteen (14) days before the meeting or at the least twenty-one (21) days before the meeting where any Special Resolution is to be proposed or where it is an annual general meeting. Notice of meetings
- 67.2 Every notice of meeting shall include the following:
- (a) the place, day, date and time of meeting;

Content of
notice of
meetings

- (b) the general nature of such business;
- (c) if the meeting is called to consider any special business, a statement regarding the effect of any proposed resolution in respect of such special business and such other necessary information to enable a Member to make an informed decision;
- (d) if the meeting is an annual general meeting, a statement specifying the meeting as such;
- (e) if the meeting is convened to pass a Special Resolution, the intention to propose the resolution as a Special Resolution;
- (f) a statement with reasonable prominence that a Member entitled to attend and vote is entitled to appoint not more than two persons as his proxy to exercise all or any of the Member's rights to attend, participate, speak and vote at a meeting of Members of the Company;
- (g) a statement with reasonable prominence that a Member who appoints more than one proxy in relation to a meeting must specify the proportion of the Member's shareholding to be represented by each proxy; and
- (h) sufficient information to enable a Member to decide whether to attend the meeting and any other information required by the Listing Requirements. The notice of meeting of Members may include the text of any proposed resolution and other information as the Directors deem fit.

67.3 At the same time as Members are notified, such notice shall be advertised in at least one (1) nationally circulated Bahasa Malaysia or English daily newspaper and shall be sent to each stock exchange upon which the Company is listed and to the Auditors. The Company shall request the Central Depository in accordance with the CD Rules to issue a Record of Depositors to whom notices of meetings of Members shall be given by the Company.

Advertising the
notice of
meeting in
newspaper

PROCEEDINGS AT GENERAL MEETINGS

68 Subject always to the provisions of the Act, no business shall be transacted at a meeting of Members except business of which notice has been given in the notice convening the meeting. An annual general meeting shall be held to transact the business in accordance with the Act which include the laying of audited financial statements and the reports of the Directors and the auditors of the Company, the election of Directors in place of those retiring, the appointment and fixing of the remuneration and benefits of Directors, the appointment and fixing of the remuneration of the auditors of the Company.

Business at
meetings

- 69 All business shall be deemed special that is transacted at a meeting of Members and also all business that is transacted at an annual general meeting with the exception of the consideration of the audited financial statements, the reports of the Directors and auditors and any other documents annexed to the audited financial statements, the election of Directors in the place of those retiring by rotation or otherwise, the appointment and fixing of the remuneration of the auditors and the voting of fees and benefits of the Directors. Special business
- 70 No business shall be transacted at any meeting of Members unless a quorum is present at the commencement of the meeting. Two (2) Members present in person and entitled to vote shall be a quorum for all purposes. For the purposes of constituting a quorum, one (1) or more representatives appointed by a corporation shall be counted as one (1) Member or one (1) or more proxies appointed by a person shall be counted as one (1) Member. The Company shall inform the Central Depository of the dates of meetings of Members and shall request the Central Depository in accordance with the CD Rules, to issue the General Meeting Record of Depositors. Subject to the Securities Regulations (where applicable), a Depositor shall not be regarded as a Member entitled to attend any meeting of Members and to speak and vote thereat unless his name appears in the General Meeting Record of Depositors. Quorum
- 71 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of or by Members, shall be dissolved. In any other case 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 that public holiday) at the same time and place, or such other date, day, time or place as the Directors may by not less than fourteen (14) days' notice appoint, and if at such adjourned meeting a quorum is not present within fifteen (15) minutes after the time appointed for holding the meeting, the Members present in person or by proxy, not being less than two (2), shall be a quorum. Proceeding of quorum not present
- 72 The Chairman (if any) of the Board or in his absence the deputy chairman of the Board shall preside as chairman at every meeting of Members. If there is no such chairman or deputy chairman or if at any meeting the chairman or the deputy chairman is not present within fifteen (15) minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the meeting shall choose one Director to be chairman, and if no Director is present or if all the Directors present decline to take the chair, the meeting shall choose one Member present to be chairman. However, a proxy shall not be eligible for election as chairman of the meeting. Chairman of meeting of Members
- 73 No business except the election of the chairman or the adjournment of the meeting shall be transacted or discussed at any meeting of Members while the chair is vacant. No business to be transacted while chair is vacant

- 74 The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting by a show of hands or by way of poll) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Chairman may adjourn meeting
- 75 75.1 If required by the Listing Requirements, any resolution set out in the notice of any meeting of Members, or in any notice of resolution which may properly be moved and is intended to be moved at any meeting of Members shall be voted on by poll unless such requirement is waived by the Stock Exchange. Resolutions in notice of meeting of Members to be voted on by poll
- 75.2 A poll shall be taken in such manner and either forthwith or after an interval or adjournment or otherwise as the chairman directs and the result of the poll shall be the resolution of the meeting at which the poll was taken, but a poll demanded on the election of chairman or on a question of adjournment shall be taken immediately.
- 75.3 The Company shall appoint at least one (1) scrutineer for the purposes of a poll in accordance with the laws, and may, in addition to the power of adjourning meetings contained in Rule 80 hereof adjourn the meeting to some place and time fixed for the purpose of declaring the result of the poll.
- 75.4 The poll may be conducted manually using voting slips or electronically using various forms of electronic voting devices as the chairman may direct. Such votes shall be counted by the poll administrator, and verified by the scrutineer(s), as may be appointed by the Company for the purpose of determining the outcome of the resolution(s) to be decided on poll.
- 75.5 A declaration by the Chairman of the meeting whether a resolution has, on a poll, been carried or lost, based on the poll results obtained, shall be conclusive evidence of that fact.
- 76 76.1 Subject to any express requirement of the Listing Requirements and Rule 81, where a requirement to determine a resolution put to vote at the meetings of Members by poll is waived by the Stock Exchange, a resolution put to the vote at any meeting of Members shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded: Voting on resolution when mandatory polling is not required
- (a) by the Chairman; or
- (b) by at least three (3) Members present in person or by proxy and entitled to vote; or
- (c) by any Member or Members present in person or by proxy or attorney and representing not less than one-tenth (1/10) of the total voting rights of all the Members having the right to vote at the meeting; or

(d) by a Member or Members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting and being shares on which an aggregate sum has been paid up equal to not less than one-tenth (1/10) of the total sum paid up on all the shares conferring that right.

76.2 Unless mandatory polling is required under the laws or a poll is so demanded in accordance with Rule 76.1, a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously or by a particular majority or lost, and an entry to that effect in the minute book, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

77 Subject to Rules 75 and 76, a poll demanded on the election of the Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the Chairman directs.

78 Subject to Rules 75 and 76, the demand for a poll shall not prevent the continuance of a meeting for the transaction of any business, other than the question for which a poll has been demanded and it may be withdrawn at any time before the poll is taken. A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made. Continuation of meeting of other business

VOTES OF MEMBERS

79 79.1 A Member who is entitled to attend and vote at a meeting of Members shall have: Voting by Members or proxies

(a) on a vote on a resolution on a show of hands, one (1) vote; and

(b) on a vote on a resolution on a poll, one (1) vote in respect of each share held by him.

79.2 On a poll taken at a meeting of Members, a Member entitled to more than one (1) vote need not use all his votes or cast all the votes he uses on a poll in the same way.

79.3 Notwithstanding sub-Rule 79.1, no Member shall be entitled to vote at a meeting of Members unless all calls or other sums presently payable by the Member in respect of his shares has been paid.

79.4 A Member entitled to attend and vote at a meeting of the Company, or at a meeting of any class of Members of the company, shall be entitled to appoint any person as his proxy to exercise all or any of his rights to attend, participate, speak and vote instead of the Member at a meeting of Members. There shall be no restriction as to the qualification of the proxy. A Member who appoints more than one (1) proxy in relation to a meeting of Members must specify the proportion of his shareholding represented by each proxy. A proxy appointed to attend and vote at a meeting of a Appointment of proxy

company shall have the same rights as the Member to speak at the meeting

79.5 Subject to sub-Rules 79.6 and 79.7, a Member shall not be entitled to appoint more than two (2) proxies to attend and vote at a meeting of the Company instead of him.

Number of proxy allowed

79.6 Subject to sub-Rule 79.7, where a Member is an Authorised Nominee, he may appoint not more than two (2) proxies in respect of each Securities Account he holds with ordinary shares of the Company standing to the credit of the said Securities Account to attend and vote at a meeting of the Company instead of him.

79.7 Where a Member of the company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple Beneficial Owners in one (1) Securities Account ("omnibus account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds PROVIDED THAT each Beneficial Owner of ordinary shares, or where the ordinary shares are held on behalf of joint Beneficial Owners, such joint Beneficial Owners, shall only be entitled to instruct the Exempt Authorised Nominee to appoint not more than two (2) proxies to attend and vote at a meeting of Members instead of the Beneficial Owner or joint Beneficial Owners. An Exempt Authorised Nominee refers to an authorised nominee defined under Central Depositories Act which is exempted from compliance with the provisions of Subsection 25A(1) of Central Depositories Act.

79.8 The appointment of a proxy to vote on a matter at a meeting of Members authorises the proxy to demand, or join in demanding, a poll on that matter.

Proxy may demand a poll

79.9 The instrument appointing a proxy shall be in writing under the hand of the Member or his attorney duly authorised in writing or, if the Member is a corporation, shall be executed under its seal or under the hand of two (2) authorised officers, one of who shall be a Director, or of its attorney duly authorised. The Directors may require evidence of the authority of any such attorney or officer. The instrument appointing a proxy, subject always to the applicable laws, shall be in the form as determined by the Directors from time to time. Unless the contrary is stated thereon an instrument appointing a proxy, whether in the usual common form or not, shall be valid for any adjournment of the meeting as for the meeting to which it relates.

Instrument appointing proxy to be in writing

79.10 The Company shall be entitled:

(a) to reject any appointment of proxy if the Member is not shown to have any shares entered against his name in the Register of Members and/or subject to the Record of Depositors made available to the Company;

When an appointment of proxy is accepted or rejected

(b) to accept as the maximum number of votes which in aggregate the proxy appointed by the Member is able to cast on a poll the aggregate number of shares which is entered:

(i) against the name of that Member in the Register of Members and/or subject to the Record of Depositors made available to the Company; or

(ii) in the case of a Member who is a Depositor and an Authorised Nominee, against the Securities Account number and name of the Beneficial Owner for whom the Authorised Nominee is acting as shown in the Record of Depositors made available to the Company whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Member; and

(c) where a Member is an Authorised Nominee, to accept the appointment of at least one (1) proxy in respect of each Securities Account it holds to which ordinary shares in the Company are credited. Each appointment of proxy by an Authorised Nominee may be made separately or in one (1) instrument of proxy and shall specify the Securities Account number and the name of the Beneficial Owner for whom the Authorised Nominee is acting and where a Member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple Beneficial Owners in one (1) omnibus account, to accept without limitation the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

Termination of proxy

79.11 Subject to the applicable laws, termination of a person's authority to act as proxy is upon the Company or the appointed share registrar of the Company receiving a notice of termination at least forty-eight (48) hours before the commencement of a meeting of Members or an adjourned meeting of Members.

Automatic revocation of proxy if Member attends and votes

79.12 A proxy is automatically revoked if the appointing Member attends the meeting of Members and votes in the meeting of Members.

79.13 On a resolution to be decided on a show of hands, every Member who holds ordinary shares or preference shares who is personally present in person or by proxy shall have one (1) vote, and on a poll every Member who is present in person or by proxy and entitled to vote shall have one (1) vote on any question at any meeting of Members for every share held by such Member.

Voting for resolution to be decided on a show of hands

79.14 Subject to Section 333 of the Act, any corporation which is a Member 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 or at all meetings of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member.

Corporate representative

79.15 If the corporation authorises more than one person as its representative, every one of the representatives is entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if every one of the representatives was an individual Member.

79.16 A Member shall be entitled to appoint up to two (2) corporate representatives.

79.17 If the corporation authorises more than one person and more than one of the representatives purport to exercise the power under sub-Rule 79.15 above:

(a) if the representatives purport to exercise the power in the same way, the power is treated as exercised in that way; or

(b) if the representatives do not purport to exercise the power in the same way, the power is treated as not exercised.

79.18 The authority given by a corporation to a representative may be for a particular meeting of Members or for all meetings of the Company. In the case of the latter, the person authorised shall be entitled to exercise his powers on behalf of the corporation until his authority is revoked by the corporation.

79.19 A certificate of authorisation by the corporation shall be *prima facie* evidence of the appointment or revocation of the appointment, as the case may be.

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| 80 | Subject to any express requirement of the Listing Requirements, a Member who is 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, whether on a show of hands or on a poll, by his committee or by such other person as properly has the management of his estate and any such committee or other person may vote by proxy or attorney provided that such evidence as the Directors may require of the authority of the person claiming the right to vote shall be deposited at the registered office not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting. | Vote of Members of unsound mind |
| 81 | Any person entitled under the transmission Rules of this Constitution to transfer any shares may vote at any meeting of Members in respect thereof in the same manner as if he was the registered holder of such shares, provided that forty-eight (48) hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof. | Vote of person entitles under the transmission Rules |

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| 82 | A Member shall be entitled to be present and to vote at any meeting of Members in respect of any share or shares upon which all calls due to the Company have been paid and no Member shall be entitled to be present and vote at any meeting of Members unless all calls or other sums presently payable by him in respect of shares in the Company have been paid. | Voting allowed if shares have been paid up |
| 83 | No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive. | Objection to qualification of voter to be raised at meeting or adjourned meeting |
| 84 | The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that 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 for holding the meeting or adjourned meeting at which the person named in the 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, and in default the instrument of proxy shall not be treated as valid or in such other period(s) as may be permitted under the laws and stipulated in the form of proxy or in the notice of meetings. | Instrument appointing proxy |
| 85 | A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation (in accordance with sub-Rule 85.11) or transfer shall have been received by the Secretary before the commencement of the meeting or adjourned meeting at which the proxy is used. | |
| 86 | <p>86.1 The Company shall have at least two (2) and not more than fifteen (15) Directors. Each Director must be a natural person who is at least eighteen (18) years of age. Subject to the Listing Requirements and any vacancy arising, at least two (2) Directors or one third (1/3) of the Board of Directors, whichever is higher, shall be Independent Directors.</p> <p>86.2 Subject to Rule 86.1, the Company may from time to time by Ordinary Resolution passed at a meeting of Members increase or reduce the number of Directors to be appointed to the Board, but this Rule shall not be construed as authorising the removal of a Director otherwise than in accordance with the Act.</p> | Number and appointment of Directors |

86.3 The Directors shall have power at any time to appoint any other person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with sub-Rule 86.1. Any Director so appointed shall hold office only until the conclusion of the next annual general meeting and shall be eligible for re-election at such meeting. A Director retiring under this Rule shall not be taken into account in determining the Directors or the number of Directors to retire by rotation at such meeting.

87 87.1 A Director may appoint a person to act as his alternate provided that: Alternate
Directors

(a) such person is not a Director;

(b) such person does not act as an alternate for more than one Director;

(c) the appointment is approved by a majority of his co-Directors; and

(d) any fee paid by the Company to the alternate shall be deducted from that Directors' fees and benefits.

87.2 An Alternate Director shall (except as regards power to appoint an Alternate Director and fees and benefits) be subject in all respects to the terms and conditions existing with reference to the other Directors, and shall be entitled to receive notices of all general meetings and meetings of the Directors and to attend speak and vote at any such meeting at which his appointor is not present.

87.3 Any appointment or removal of an Alternate Director shall be by notice in writing to the Company signed by the Director making or revoking the appointment.

87.4 An Alternate Director shall cease to be an Alternate Director if his appointor ceases to be a Director; but if a Director who is required to retire by rotation under this Constitution so retires and is reappointed or deemed to have been reappointed, any appointment of an Alternate Director made by him which was in force immediately prior to his retirement shall continue after his reappointment.

87.5 An Alternate Director shall also cease to be an Alternate Director on the happening of any event which if he were a Director would render him legally disqualified from acting as a Director or if his appointer or the majority of the other Directors revokes his appointment by delivering a written notice to such effect to the registered office.

87.6 An Alternate Director shall not be taken into account in determining the minimum or maximum number of Directors required under this Constitution or the Act.

88. 88.1 The fees and benefits payable to Directors shall be subject to annual shareholder approval at a meeting of Members and shall not be increased except pursuant to a resolution passed at a meeting of Members, where notice of the proposed increase has been given in the notice convening the meeting. The Directors may also be reimbursed for all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Board or any committee of Directors or meetings of Members or in connection with the business of the Company. Fees and benefits of Directors
- 88.2 Fees payable to non-executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover. Salaries payable to executive Directors may not include a commission on or percentage of turnover.
- 88.3 An Alternate Director shall not be entitled to receive any fees, compensation or benefits other than out of the fees and benefits of the Director who appointed him.
89. Subject to Rule 88, any Director who by request of the Board serves on any committee or performs special services for any purposes of the Company may be paid such extra fees and benefits (subject to any other provisions of this Constitution) as the Board may determine. Extra fees and benefits for performing special services
90. A Director shall not require a share qualification but nevertheless shall be entitled to attend and speak at any meeting of Members of, and at any separate meeting of, the holders of any class of shares in the Company.
91. 91.1 The office of Director shall be vacated if the person holding that office: Office of a Director deemed vacant
- (a) (not being a Managing Director holding office as such for a fixed term) resigns his office by notice in writing to the Company at the Office;
- (b) has retired in accordance with the Act or this Constitution but is not re-elected;
- (c) is removed from office in accordance with the Act or this Constitution;
- (d) becomes disqualified from being a director under section 198 or 199 of the Act;
- (e) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the Mental Health Act 2001;
- (f) dies;
- (g) is absent from more than fifty per cent (50%) of the total Board meetings held during a financial year; or
- (h) 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 5 years from the date of conviction or if sentenced to imprisonment, from the date of release from prison, as the case may be.

91.2 A Director of the Company shall not resign or vacate his office if by his resignation or vacation from office, the number of Directors of the Company is reduced below two (2). Any purported resignation or vacation of office by a Director in contravention of this Rule shall be deemed to be ineffective unless a person is appointed in his place.

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92.1 Subject to the Act and the Listing Requirements, no Director or intending Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office, or of the fiduciary relation thereby established, but the nature and extent of his interest must be declared by him at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration or, if the Director was not at the date of that meeting interested in the proposed contract or arrangement, then at the next meeting of the Directors held after he became so interested or, in a case where the Director becomes interested in a contract or arrangement after it is made, at the first meeting of the Directors held after he becomes so interested.

Contracts or arrangements which Directors are interested

92.2 A general notice in writing, which complies with Section 221(4) and (5) of the Act, given to the Directors by any Director shall be deemed to be sufficient declaration of interest in relation to the subject matter of the notice.

93 Subject to these Rules and the Listing Requirements, any Director may continue to be or become a director, managing director, manager or other officer or member of any other corporation in which the Company may be interested, and no such Director shall be accountable for any fees or other benefits received by him as a director, managing director, manager or other officer or member of any such other corporation. The Directors may exercise the voting power conferred by the shares in any other corporation held or owned by the Company, or exercisable by them as directors of such other corporation, in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them as directors, managing directors, managers or other officers of such corporation, or providing for the payment of fees and benefits to the directors, managing directors, managers or other officers of such corporation), and any Director of the Company may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be, or be about to be, appointed a director, managing director, manager or other officer of such other corporation and as such is or may become interested in the exercise of such voting rights in manner aforesaid, provided always that no Director shall vote (or be counted in the quorum) in respect of a resolution concerning his own appointment in this Company.

Director becoming a director, managing director, manager or other officer or member of other corporation

94 The Directors shall cause to be kept the register of their holdings of shares and debentures of the Company and of its holding company (if any), and of any subsidiaries of the Company or its holding company, required by Section 59 of the Act, and shall render the same available for inspection during the period and by the persons therein specified, and shall produce the same at every Annual General Meeting as required by the Section.

MANAGING DIRECTOR

95 The Board may, from time to time, appoint one or more of its body to the office of managing director (which term shall be deemed to include the Company’s Chief Executive Officer or person performing the functions of a managing director, by whatever name called) for such period and on such terms as the Board thinks fit and may revoke any such appointment.

Appointment of Managing Director

96 The Board may entrust to and confer upon a managing director any of the powers exercisable by the Board upon such terms and conditions and with such restrictions as the Board may think fit, and either collaterally with or to the exclusion of the Board’s own powers, and may from time to time revoke, withdraw, alter or vary all or any of those powers. The managing director or a person holding an equivalent position shall be subject to the control of the Board.

Powers of Managing Directors

- 97 A managing director shall, subject to the Act and the terms of any agreement entered into in any particular case, receive such fees and benefits, whether by way of salary, commission, or participation in profits, or partly in one way and partly another, as the Board may determine. Fees and benefits of Managing Director

POWERS AND DUTIES OF DIRECTORS

- 98 The business and affairs of the Company shall be managed by or under the direction of the Directors. The Directors shall have all powers necessary for managing, directing and supervising the management of the business and affairs of the Company and may pay all expenses incurred in forming and registering the Company and may exercise all such powers of the Company as are not by the Act or by this Constitution required to be exercised by the Company in meeting of Members, subject nevertheless to this Constitution, to the provisions of the Act, and to such regulations, being not inconsistent with this Constitution or such provisions, as may be prescribed by Ordinary Resolution of the Company in meeting of Members, but no regulation made by the Company in meeting of Members shall invalidate any prior act of the Directors which would have been valid if the regulation had not been made. The general powers given by this Rule shall not be limited or restricted by any special authority or power given to the Directors by any other Rule. Any sale or disposal by the Directors of a substantial portion of the Company's main undertaking or property shall be subject to ratification by Members in meeting of Members and in accordance with the Act. General power of Directors to manage Company's business
- 99 The Directors may establish any local boards or agencies for managing any of the affairs of the Company in any part of the world, and may appoint any persons to be Members of such local boards, and any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors with power to sub-delegate, and may authorise the Members of any local board, or any of them to fill any vacancies therein, and to act notwithstanding vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit. The Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby. Power to establish local boards or agencies

- 100 The Directors may establish and maintain or provide or procure the establishment and maintenance of any non-contributory or contributory pension, provident or superannuation funds or other pension funds or such other funds as the Board may deem fit and to make or establish such arrangements or schemes for the benefit of and to give or procure the giving of donations, gratuities, pensions, allowances, emoluments or other moneys to or for the benefit of any persons who are or were at any time in the employment or service of the Company or its predecessors in business or of any company which is a subsidiary of the Company or is allied to or associated with the Company or with any such other company, as the Company deems fit, or who are or were at any time Directors or officers of the Company or of any other company as aforesaid and holding or who held any salaried employment or office in the Company or such predecessors or other company and the wives, widows, families and dependants of any such persons, and make payments for or towards the insurance of any such persons as aforesaid, and may do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid. Subject always, if the Act shall so require, to particulars with respect thereto being disclosed to the Members and to the proposal being approved by the Company by Ordinary Resolution, a Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument. A Director may be counted in the quorum present at a meeting upon the consideration of a motion in respect of any matter referred to in this Rule but may not vote as a Director upon any resolution in respect of any such matter if he is personally interested in such matter. Power to establish and maintain pensions and funds
- 101 The Directors may by power of attorney appoint any company, firm or person or any fluctuating 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 discretions (not exceeding those vested in or exercisable by the Directors under this Constitution) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. Power of Directors to appoint attorney of the Company
- 102 The Directors may make and vary such regulations as they think fit in respect of the keeping of branch registers of Members pursuant to Section 53 of the Act.

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures and other securities. The Directors shall restrict the borrowings of the Company and exercise all rights exercisable by the Company in relation to its subsidiaries so as to secure (as regards subsidiaries so far as by such exercise they can secure) that, save with the previous sanction of the Company, by Ordinary Resolution, no money shall be borrowed if the aggregate principal amount outstanding (including any premium payable on final repayment) of all money borrowed by the group (which expression means the Company and its subsidiaries for the time being) and for the time being owing to persons outside the group then exceeds or would, as a result of such borrowing, exceed an amount equal to three (3) times the aggregate of:

Directors'
borrowing
powers

(a) the amount paid up on the issued share capital of the Company; and

(b) the total of the capital and revenue reserves of the Company and its subsidiaries (including any credit balance on the consolidated profit and loss account) but excluding sums set aside for taxation and amounts attributable to outside shareholders in subsidiaries and deducting any debit balance on the consolidated profit and loss account,

all as shown in the then latest audited consolidated balance sheet of the Company and its subsidiaries but adjusted as may be necessary in respect of:

(a) all subsidiaries which were not dealt with by or which have been acquired since the date of such balance sheet; and

(b) all variations in the paid-up share capital of the Company since the date of such balance sheet.

For the purposes of the foregoing:

(i) the amount outstanding in respect of acceptances by the Company or by any subsidiary of the Company or by any bank or acceptance house under any acceptance credit opened on behalf of the Company or any subsidiary of the Company (not being acceptances in relation to the purchase or sale of goods in the ordinary course of business) shall be taken into account as monies borrowed;

(ii) monies borrowed for the purpose of repaying the whole or any part of any monies previously borrowed and then outstanding (including any premium payable on final repayment thereof) and applied for that purpose within six (6) months of such borrowing shall not, pending such application, be taken into account as monies borrowed;

(iii) (the principal amount (including any premium payable on final repayment) of any debentures issued for a consideration other than cash shall be taken into account as monies borrowed by the Company issuing the same;

- (iv) monies borrowed by a partly owned subsidiary and not owing to another Member of the group shall be taken into account subject to the exclusion of a proportion thereof equal to the minority proportion; monies borrowed from and owing to a partly owned subsidiary by another Member of the group shall be taken into account to the extent of a proportion thereof equal to the minority proportion of the lender, subject to the exclusion of a proportion thereof equal to the minority proportion (if any) of the borrower; in this sub-paragraph (iv), "minority proportion" shall mean the proportion of the issued equity share capital of the partly owned subsidiary which is not attributable to the Company;
- (v) notwithstanding the provisions of sub-paragraph (iv), there shall be deemed to have been borrowed and to be outstanding as borrowed monies of the relevant Member of the group (to the extent that the same would not otherwise fall to be taken into account) the principal amount of any monies borrowed from persons outside the group by a partly owned subsidiary the repayment whereof is guaranteed or wholly or partly secured by any Member of the group.

No debt incurred or security given in respect of monies borrowed or to be taken into account as monies borrowed in excess of the aforesaid limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or was thereby exceeded, but no lender or other person dealing with the Company shall be concerned to inquire whether such limit is observed.

The Directors shall not borrow any money or mortgage or charge any of the Company's or its subsidiaries' undertakings or property or any uncalled capital or issue debentures or other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.

- 104 All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine. Signing of cheques etc.

ELECTION OF DIRECTORS

- 105 An election of Directors shall take place each year. At least one-third (1/3) of the Directors for the time being shall retire from office at each annual general meeting. A Director retiring at a meeting of Members shall retain office until the conclusion of the meeting. Election of Directors

106	All Directors shall retire from office once at least in each three (3) years. A retiring Director shall be eligible for re-election.	Retirement of Directors
107	The Company at the meeting at which a Director retires may appoint any person who is not disqualified under the Act to fill in the vacancy, and if no appointment was made to fill the vacancy and the retiring director seeks re-election, the Director will only be reappointed if a resolution for re-election of that Director is passed.	Person appointed to fill in vacancy or re-election
108	No person not being a retiring Director shall be eligible for election to the office of Director at any meeting of Members unless some Member intending to propose him has, at least eleven (11) clear days prior to the date of the meeting, left at the registered office of the Company a notice in writing duly signed by the nominee, giving his consent to the nomination and signifying his candidature for the office, or the intention of such Member to propose him for election; provided that in the case of a person recommended by the Directors for election, nine (9) clear days' notice only shall be necessary, and notice of each and every candidature for election to the Board 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.	Notice of intention to appoint Director
109	Except as otherwise authorised by Section 203 of the Act, the election or appointment of any person proposed as a Director shall be effected by a separate resolution and a single resolution purporting to elect or appoint two (2) or more persons to be Directors shall be ineffective and void.	Separate resolutions for appointment of Directors
110	Without prejudice to the provisions of Section 206 of the Act, the Company may by Ordinary Resolution remove any Director before the expiration of his period of office, and may by an Ordinary Resolution appoint another person in his place. The person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he was appointed was last elected or appointed a Director.	Removal of Directors before expiration of office

PROCEEDINGS OF DIRECTORS

111	The Directors may elect a chairman or deputy chairman of their meetings and determine the period for which he/she is to hold office but, if no such chairman or deputy chairman is elected, or if at any meeting the chairman or deputy chairman is not present within five (5) minutes after the time appointed for holding the same, the Directors present may choose one of their number to be the chairman of the meeting.	Chairman
112	A Director, or if requested by a Director to do so, a Secretary, may convene a meeting of the Board by giving notice in accordance with Rule 119 below.	Convening of board meetings

- 113 A notice of a meeting of the Board shall be sent to every Director who is in Malaysia, and the notice shall include the date, day, time and place of the meeting and the matters to be discussed. Such notices may be given via post, facsimile, telephone, Electronic Form or by any other form of Electronic Communications unless otherwise determine by the Board from time to time. Any Director may waive notice of any meeting either prospectively or retrospectively. The notice of each meeting of the Board shall be deemed to be served on a Director, if delivered by post, on the day on which a properly stamped letter containing the notice is posted, if sent by facsimile, Electronic Form or other form of Electronic Communications, immediately upon delivery. Notice of Board meeting
- 114 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. Irregularity of notice of meeting
- 115 A meeting of the Board may be held either: Methods of holding meetings
- 115.1 by a number of Directors who constitute a quorum, being assembled together at the place, day, date and time appointed for the meeting; or
- 115.2 by means of radio, telephone, closed circuit television or other electronic means of audio, or audio-visual communications or instantaneous telecommunication device by which all Directors participating and constituting a quorum can simultaneously hear each other throughout the meeting; or
- 115.3 by a combination of both of the methods set out above.
- 116 Subject to any applicable laws, the contemporaneous linking together by an instantaneous telecommunication device, whether or not any Director (or his alternate) is out of Malaysia, shall be deemed to constitute a meeting of the Directors and all provisions of this Constitution relating to such meetings of the Directors shall apply to such meeting so long as the following conditions are met:
- 116.1 notice of meeting has been given to the Directors;
- 116.2 each Director taking part in this meeting by radio, telephone, closed circuit television or other electronic means of audio or audio-visual communications or instantaneous telecommunication device must be able to hear and/or see as the case may be, each of the other Directors taking part throughout the duration of the meeting;
- 116.3 at the commencement of the meeting, each Director acknowledges his presence for the purpose of the meeting to all of the other Directors taking part;
- 116.4 all information or documents pertaining to or circulated during the meeting must be made equally available to all Directors prior to or during the meeting.

- 117 A Director who intends to leave the meeting shall inform the chairman of the meeting prior to disconnecting his telecommunications device and a Director will be conclusively presumed to have been present and to have formed part of the quorum throughout the meeting unless he has informed the chairman of his departure.
- 118 Minutes of the proceedings at such meeting of the Directors will be sufficient evidence of such proceedings and of the observance of all necessary formalities if confirmed as correct by all the Directors present at the meeting.
- 119 A meeting by the Directors conducted by instantaneous telecommunication device is deemed to be held at the place where the largest group of Directors participating is assembled or, if there is no such group, where the chairman of the meeting is physically present.
- 120 For the purpose of the Rules, "instantaneous telecommunication device" means any telecommunication conferencing device with or without visual capability.
- 121 The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Until otherwise determined, 5 Directors shall be a quorum. Questions arising at any Meeting shall be decided by a majority of votes. In case of an equality of votes at any meeting, the Chairman shall not have a second or casting vote and the question concerned shall be deemed not to have been raised at such meeting. A Director who is in constant communication by means of a conference telephone call to or through a video conference with the Directors at a meeting of the Board of Directors shall be deemed to be present at such meeting and be counted in a quorum. Quorum
- 122 A resolution passed in a meeting of Directors shall not be invalid or invalidated by reason that at the time such resolution was passed, the number of Directors present was below the number necessary to constitute a quorum.
- 123 A meeting of the Directors for the time being at such quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally.

- 124 The Directors may delegate any of their powers (other than the powers to borrow and make calls) to committees consisting of such Directors as the Directors deem fit and may, from time to time, revoke such delegation. Power to form Committee
- 124.1 Any committee so formed shall, in the exercise of the powers so delegated conform to any regulations that may be imposed on such committee by the Directors.
- 124.2 A committee may elect a chairman of its meetings and may determine its own proceedings.
- 124.3 Any question arising at any meeting of a committee shall be determined by a majority of the votes of the members present, and in the case of an equality of votes, the chairman shall have a second or casting vote.
- 124.4 The regulations herein contained for the meetings and proceedings of Directors shall, so far as they are not altered by any regulations made by the Directors, apply also to the meetings and proceedings of any committee.
- 125 All acts done by any meeting of the Directors or of a Committee of Directors or by any persons acting as Directors shall, notwithstanding that it is afterwards discovered that there were some defects in the appointment of any such Directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director. Validity of the acts of Directors
- 126 The continuing Directors may act notwithstanding any vacancy in their body, but if the number of Directors shall be less than the minimum number specified in this Constitution, the continuing Directors may, except in an emergency, act only for the purpose of increasing the number of Directors to such minimum number or to call a general meeting of the Company. Any Director appointed by the continuing Directors as aforesaid shall hold office only until the next following Annual General Meeting of the Company and shall then be eligible for re-election.
- 127 A resolution in writing signed by a majority of the Directors shall be as valid and effective as a resolution passed at a meeting of the Directors duly convened and held. Any such resolution in writing may be contained in one document or separate copies thereof (prepared and circulated by electronic means) which are signed by one or more of the Directors. Resolution in writing

SECRETARY

- 128 The Secretary or Secretaries 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 and any Secretary or Secretaries so appointed may be removed by them. The Directors may from time to time by resolution appoint a temporary substitute for the Secretary or Secretaries who shall be deemed to be the Secretary during the term of his appointment. Appointment of Secretary
- 129 A provision of the Act or this Constitution requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting in both capacities.
- 130 Any Director or the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting this Constitution and any resolution passed by the Company or the Board or any Committee of the Board and any books, records, documents and accounts relating to the business of the Company and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be the person appointed by the Board as aforesaid. Authentication of documents
- 131 A document purporting to be a copy of a resolution or an extract; from the minutes of a meeting of the Board or of a Committee of the Board, which is certified as such in accordance with the provisions of the last preceding Rule shall be conclusive evidence in favour of all persons dealing with the Company upon the face thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of a duly constituted meeting of the Board or of the Committee.

SEAL

- 132 The Directors shall provide for the safe custody of the Seal which shall only be used by the authority of a resolution of the Directors or a committee of Directors authorised by the Directors in that behalf. The Directors may from time to time make such regulations as they think fit determining the persons and the number of such persons in whose presence the Seal shall be affixed and until otherwise determined, every instrument to which the Seal shall be affixed shall be affixed in the presence of and signed by 2 Directors or by a Director and by the Secretary or some other person appointed by the Directors in place of the Secretary for the purpose and the Directors may by resolution determine either generally or in any particular case that the signature of any Director, the Secretary or such other person appointed as aforesaid may be affixed or reproduced by facsimile, autographic or other mechanical means.

MINUTES

133 The Directors shall cause minutes to be made in books provided for the purpose:

(a) of all appointments of officers made by the Directors;

(b) of the names of the Directors present at each meeting of Directors and of any committee of Directors; and

(c) of all resolutions and proceedings at all meetings of the Company and of the Directors and of committees of Directors.

DIVIDENDS AND RESERVES

134 134.1 Subject to the Act, the Company may make a distribution to its Members out of profits available of the Company provided that the Company is solvent. Dividends payable only if Company is solvent

134.2 Before a distribution is made by the Company to any Member, such distribution must be authorised by the Directors. The Directors may authorise a distribution at such time and in such amount as they consider appropriate, if they are satisfied that the Company will be solvent immediately after the distribution is made.

134.3 If after a distribution is authorised and before it is made, the Directors cease to be satisfied on reasonable grounds that the Company will be solvent immediately after the distribution is made, the Directors shall take all necessary steps to prevent the distribution from being made.

134.4 The Directors may fix the time that a distribution is payable and the method of payment provided that the distribution shall be paid not later than one (1) month from the date of authorisation. A distribution can be paid in cash, by the issue of shares or other securities, by the grant of options and by the transfer of assets to a Member.

134.5 Subject to these Rules, once a distribution has been authorised, the Company shall not make any subsequent alteration to the distribution entitlement.

135 All dividends shall be declared and paid according to the amounts paid on the shares in respect of which the dividend is paid, but no amount paid on a share in advance of calls shall be treated for the purposes of this Rule as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid on the shares during any part or parts of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share rank for dividend accordingly.

- 136 Dividends may be declared in the currency of Malaysia or in any foreign currency and may be paid in the respective currency of the territories in which the Company's registers of shareholders are situated or in one or more other currencies as the Directors may from time to time decide and so that where any dividend is paid in a currency other than that in which it was declared it shall, for the purposes of payment, be converted into such other currency at the rate of exchange ruling on the date when those Members then on the Register of Members or Record of Depositors are declared by the Directors to be entitled to the said dividend or on such other date as the Directors may from time to time decide, such date being not more than thirty (30) days prior to the payment date for the said dividend. All dividends shall be paid after such deduction therefrom of taxation as may properly be made or such (if any) other impost or levy of whatsoever nature as may be required to be made under the laws of any territory where the Company may be resident.
- 137 The Directors may direct payment or satisfaction of such dividend wholly or partly by the distribution of specific assets and in particular of paid-up shares or debentures of any other company. Where any difficulty arises in regard to such distribution the Directors may settle it as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of those entitled to participate in the dividend as may seem expedient to the Directors.
- 138 The Directors may, before authorising any dividend, set aside out of the profits of the Company and carry to reserve or reserves such sums as they think proper, and the sums represented thereby shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, be either employed in the business of the Company or invested in such investments (other than shares of its holding company, if any) as the Directors may from time to time think fit.
- 139 The Directors may deduct from any dividend payable to any Member in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to such shares. This right shall not extend to any dividend payable in respect of fully paid shares held by a Member.
- 140 All dividends unclaimed for one (1) year after being declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed or paid by the Company in accordance with the Unclaimed Moneys Act, 1965.

141 Any dividend may be paid by directly crediting the Members' dividend entitlements into their bank accounts as provided to the Central Depository from time to time by electronic transfer or remittance to such accounts or by cheque sent through the post to the registered address, as appears in the Register of Members or the Record of Depositors, of the Member or person entitled thereto provided that subject to the Listing Requirements, all cash distributions must be paid to its Securities holders by directly crediting the payments into his bank accounts. Every such cheque or electronic transfer or remittance shall be made payable to the order of the person to whom it is sent, and payment by electronic transfer or remittance or by cheque shall be a good discharge to the Company of the dividend to which it relates. Every such cheque, electronic transfer or remittance shall be sent at the risk of the person entitled to the money thereby represented.

Subject to the Act, the Central Depositories Act and the CD Rules, a transfer shall not pass the right to any dividend declared thereon before registration of the transfer.

142 Notwithstanding anything contained in this Constitution, a Depositor's entitlement to dividends, rights issues, bonus issues or any other rights or options in the Company by virtue of any Deposited Securities standing to the credit of his Securities Account shall be subject to the Act, the Central Depositories Act and the CD Rules.

CAPITALISATION OF PROFITS AND RESERVES

143 143.1 The Directors may resolve to utilise the profits or other distributable reserves of the Company:

Power to capitalize profits

- (a) in paying up any amounts unpaid on shares held by the Members;
- (b) in paying up in full unissued shares or debentures to be issued to the Members as fully paid; or
- (c) partly for the purposes stated in sub-Rule (a) and partly for the purposes stated in sub-Rule (b),

on a basis which is in proportion to the shares held by each Member.

142.2 The Directors shall do all acts required to give effect to the resolution and shall have the power to:

- (a) make payment in cash in lieu of issuing fractions of shares or debentures to any Member; and
- (b) authorise any person to enter on behalf of all the Members entitled to any shares or debentures into an agreement with the Company for:
 - (i) the allotment and issue to those Members of any shares or debentures credited as fully paid up, upon such capitalisation; or

- (ii) the payment by the Company on behalf of those Members, of their respective proportions of the profits to be capitalised of the amount or any part of the amount remaining unpaid on their existing shares,

in accordance with the resolution. Any agreement made pursuant to this Rule shall be effective and binding on all Members.

ACCOUNTS TO BE KEPT AND FINANCIAL STATEMENTS

144 The Directors shall cause to be kept such accounting and other records as are necessary to sufficiently explain the transactions and financial position of the Company including its subsidiaries and to give a true and fair view of the state of its affairs, and in particular (but without limiting the generality of the foregoing provision) proper books of account with respect to: Directors to keep proper accounts

144.1 the assets and liabilities of the Company;

144.2 all sums of money received or expended by the Company, and the matters in respect of which such receipts and expenditure take place; and

144.3 all sales and purchases of goods by the Company.

The accounting shall be kept at the Office or (subject to the provisions of the Act) at such other place as the Directors think fit, and shall at all times be open to inspection by the Directors. No Member (other than a Director) shall have any right of inspecting any account or book or document of the Company, except as conferred by the Act or authorised by the Directors or by the Company in meeting of Members.

145 The Board shall:

145.1 prepare or cause to be prepared financial statements in accordance with the requirements of the Act;

145.2 cause the financial statements to be audited;

145.3 cause the audited financial statements and reports relating thereto to be sent at least twenty-one (21) days before the date of the annual general meeting of the Company, to:

(a) every Member;

(b) every person who is entitled to receive notice of meetings of Members;

(c) every auditor of the Company; and

(d) every debenture holder of the Company upon request being made to the Company.

unless a shorter period was agreed by all the Members entitled to attend and vote at the annual general meeting, and cause the audited financial statements and reports to be laid before the annual general meeting of the Company.

- 146 A paper copy or Electronic Form, electronic mail or publication on the website or other electronic platform(s) of the Company) or any combination thereof, or in any other format whatsoever (whether available now or in the future) through which images, data, information or other materials may be viewed whether electronically or digitally or howsoever or in such other form of electronic media, as permitted under the laws, of the Annual Report of the Company which shall comprise the audited financial statement, Circulars to shareholders, and the Directors' and Auditors' reports (including every document required by law to be annexed thereto) which is to be laid before the Company in meeting of Members shall, at least twenty-one (21) days before the meeting, be delivered or sent by post to every Member and debenture holder of the Company and to the Company's Auditors and to every person who is entitled to receive notices from the Company under the provisions of the Act and this Constitution. The requisite number of copies of each of these documents shall at the same time be forwarded to each stock exchange upon which the Company's shares are listed.

AUDIT

- 147 Auditors of the Company shall be appointed and their duties regulated in accordance with Section 266 and Sections 271 to 287 of the Act.
- 148 The auditors' report to the Members made pursuant to the statutory provisions as to audit shall be open to inspection by any Member who shall be entitled to be furnished with a copy of the balance sheet (including every document required by law to be annexed thereto) and the auditors' report in accordance with Section 266 of the Act.
- 149 Every Balance Sheet and Profit and Loss Account when audited and received by the meeting of Members shall be conclusive except as regards any error discovered therein within three (3) months after receipt thereof.

WINDING UP

- 150 The Company may only be wound up voluntarily if the Company so resolves by Special Resolution. If the Company is wound up 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. The liquidator may, with the like sanction, vest the whole or any part of any such assets in trustees upon
- Distribution of assets upon winding up

such trusts for the benefit of the Members 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.

Save that this Rule shall be without prejudice to the rights of holders of shares issued upon special terms and conditions, the following provisions shall apply:

150.1 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; and

150.2 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.

- 151 On the voluntary liquidation of the Company, no commission or fee shall be paid to a liquidator unless it shall have been approved by the Members in a meeting of Members. The amount of such payment shall be notified to all Members at least seven (7) days prior to the meeting at which the commission or fee is to be considered. Liquidator's Commission

SECRECY CLAUSE

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

EFFECT OF LISTING REQUIREMENTS

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| 153 | The effect of the Listing Requirements shall be as follows: | Effects of the
Main Market
Listing
Requirements
on this
Constitution |
| | 153.1 Notwithstanding anything contained in this Constitution, if the Listing Requirements prohibit an act being done, the act shall not be done. | |
| | 153.2 Nothing contained in this Constitution prevents an act being done that the Listing Requirements require to be done. | |
| | 153.3 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). | |
| | 153.4 If the Listing Requirements require this Constitution to contain a provision and it does not contain such a provision, this Constitution is deemed to contain that provision. | |
| | 153.5 If the Listing Requirements require this Constitution not to contain a provision and they contain such a provision, this Constitution is deemed not to contain that provision. | |
| | 153.6 If any provision of this Constitution is or becomes inconsistent with the Listing Requirements, this Constitution is deemed not to contain that provision to the extent of the inconsistency. | |

