

**PARKSON HOLDINGS BERHAD (89194-P)**  
(Incorporated in Malaysia)

Extract of the Minutes of the 35th Annual General Meeting (“35th AGM”) of the Company held at the Meeting Hall, Level 16, Lion Office Tower, No. 1 Jalan Nagasari, 50200 Kuala Lumpur, Wilayah Persekutuan on 23 November 2018 at 9.00 am.

**1. SHAREHOLDERS’ RIGHTS AS TO VOTING**

Before the Meeting proceeded with the items on the Agenda, the Chairman informed Shareholders that as per the Bursa Malaysia Securities Berhad Main Market Listing Requirements, resolutions set out in the notice of any general meeting were to be voted upon by way of a poll. As such, all resolutions tabled at the 35th AGM would be voted upon by way of a poll.

In this regard, the Chairman exercised his right to demand for a poll in accordance with Article 53 of the Company’s Constitution in respect of all resolutions to be tabled upon the completion of all the business of the Meeting.

The Chairman then informed that the Company had appointed the Share Registrar, Secretarial Communications Sdn Bhd, as the Poll Administrator to conduct the polling process and Messrs Ong Boon Bah & Co., a firm of chartered accountants, as the Independent Scrutineers to verify the results of the poll.

**2. AUDITED FINANCIAL STATEMENTS AND REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

The Audited Financial Statements of the Company for the financial year ended 30 June 2018 together with the Reports of the Directors and Auditors thereon (“2018 AFS”) were laid to the Shareholders.

The Chairman explained that the 2018 AFS were laid in accordance with the provisions of the Companies Act 2016 for discussion only as it did not require Shareholders’ approval therefor. Hence, it would not be put to the vote.

The Chairman further informed that the Minority Shareholder Watchdog Group (“MSWG”) had by a letter dated 12 November 2018 to the Company raised some observations of the Group in relation to the Strategies and Financial matters of the Group. The Chairman then invited the Group Accountant to take the Floor to share MSWG’s observations together with the Management’s response thereto set out herein as Annexure I, and some information on the business of the Group as well as the results of the Group for the financial year ended 30 June 2018.

The Meeting then engaged in a question and answer session where comments and enquiries on the Annual Report including the following were raised by Shareholders and Proxies:

- (i) the Group’s operations, strategies and its prospects;
- (ii) divestment of Parkson Credit Sdn Bhd;
- (iii) Parkson vouchers; and
- (iv) customers satisfaction and value-add services to customers.

The Chairman and the Management addressed the Shareholders' and Proxies' enquiries and observations on the aforementioned areas as follows:

- (i) On the Group's operations, strategies and its prospects under the current challenging environment and economy given the Group's net losses for the current financial year ended 30 June 2018 of RM99.4 million, the Chairman explained in order to rationalise the expenses/losses, the Group had closed underperforming stores and are more selective in locations of new stores while reassessing the existing stores for improvement to attract more customers. With the change of the new government, foreigners seemed to have more confidence in Malaysia and the Group anticipated that this would eventually boost the tourism industry. However, in the transition of the zerorisation of the Goods and Services Tax and the implementation of the Sales and Service Tax, customers had taken advantage of the same and opted for bigger ticket items and hence, had impacted the same store sales growth of the Malaysian operations.

In China, the number of memberships had increased and almost 65% of the sales were contributed by the card members. In this regard, efforts to increase the number of memberships for Parkson Card which offered incentive and loyalty points programme, were on-going to boost revenue growth.

In keeping up with the fast changing retail environment, the Group was encouraged to continue to execute its transformation strategies including diversification of retail formats, optimisation of operations, omni-channel marketing and brand enhancement by offering more in-house brands and private label portfolio which contributed better profit margins and to attract younger generation customers. The Group's in-house private label, "7Dayz", was progressing well within the Parkson stores and in the standalone concept whilst the "Play Up Advance" multi brand beauty concept store offering international and local brands with many of the brands being a first in the Malaysian beauty scene.

The Group had also ventured into mall development and mall management in China, The investment and development of the Lion Mall in Qingdao had been a success, as the property value had appreciated substantially. In this regard, the Group had set up a mall management team in China.

Apart from that, the Group also operated gourmet supermarkets in China and complimented by the food and beverage businesses, it would bring increased footfall to the mall and the Parkson stores in tandem with the change in lifestyle.

Moving forward, the Group would continue to actively look into establishing its own brands not only in China but also in the South East Asia. The Group had further developed its cosmetics segment, one of the significant and resilient growth key of business units in Parkson's offerings, to be standalone businesses and brands in the Parkson stores. The first specialty standalone concept store "Parkson Beauty" was launched in Changsha reported favourable returns within a year of operations. The Group had also recruited a few reputable personnels to the top management for China and Vietnam to improve and implement strategies for the Group's operations in the respective countries to increase Group revenue.

On the competitiveness of the retail market, the Meeting was informed that the Group remained confident in the retail industry in China and in light of the more challenging yet booming consumption market environment, the Group continued to explore, identify and seize market opportunities coupled with the execution of its transformation strategies. Despite e-commerce retailing in China being competitive, it had proven not as profitable and hence, the Group had been cautious in its business through e-commerce retailing. While the emergence of a “new retail” concept that integrated e-commerce and physical retail stores seamlessly had brought increasing challenges to the entire retail industry in China, the Group saw ample opportunities and positive signs ahead in view of the gradual recovery of the retail market as evidenced by the steady Gross Domestic Product growth rate in China.

The Group’s major revenue contributor was from its retail business in China, and as its strategies had performed well and operations had turned profitable, the same where applicable would be applied for the operations in other countries. For the operations in Malaysia, while Parkson Malaysia department stores had recorded operating profits but new retail stores suffered losses during their ramp-up period, the Group would continue to work towards improving profits in the next year. As for Parkson Indonesia and Parkson Vietnam, both these regions were expected to reduce losses following the recruitment of experienced personnels in the merchandising division and enhancing the establishment of in-house brands. As the results of the Group had substantially been affected by the increase in impairment losses on fixed assets due to underperforming stores during the financial year, the Group would, going forward, be more cautious and selective on the stores location. It was noted that closure of stores was unavoidable as it formed part and parcel of the volatile changing retail environment in Malaysia. In this regard, the Group would continue to implement strategies to overcome the challenging retail environment. Further, the Group believed that in order to tackle the threats and challenges faced by the Group, it must build a good management team to face challenges in competing with its competitors and would continue to benchmark against the competitors for improvement.

- (ii) The rationale for the disposal of 70% equity interest in Parkson Credit Sdn Bhd (“Parkson Credit”) to Parkson Retail Group Limited, a subsidiary of the Company was to facilitate Parkson Credit’s future funding requirements to enable Parkson Credit to fully implement its business plan. The business of Parkson Credit would continue to be operated in Malaysia.
- (iii) On the enquiry in relation to the short validity period of the discount vouchers given to customers for purchases above certain specified amount, the Meeting was informed that the discount vouchers were valid till end of the month of issue which was in practice among some of the other retailers and for better control whilst the gift vouchers have longer validity period of up to 2 years.
- (iv) On the improvement of customer service and value-added facilities of the Parkson stores, in view of the increasing competitiveness in the retail industry, the Group would continue to improve its customer service, customer satisfaction and shopping experience by providing personalised customer service and value-added facilities such as children’s playground and contemporary dressing room complemented with exquisite washrooms at certain Parkson stores to attract more customers and enhance the store image and making a difference in shopping experience.

After having addressed all questions and noted all comments from the Floor, the Chairman declared the 2018 AFS duly received.

### 3. DECLARATION OF POLL RESULTS

The poll results in respect of the 7 resolutions were as follows:

Resolutions	Vote in favour		Vote Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 1. To approve Directors' fees	792,702,070	99.99	116,103	0.01
Ordinary Resolution 2. To approve Directors' benefits	792,701,070	99.99	117,103	0.01
Ordinary Resolution 3. To re-elect Cik Zainab binti Dato' Hj. Mohamed as Director	792,465,517	99.96	351,488	0.04
Ordinary Resolution 4. To re-appoint Messrs Ernst & Young as Auditors	792,811,917	100.00	6,256	Negligible
Ordinary Resolution 5. Authority to Directors to Issue Shares	686,850,697	99.99	59,257	0.01
Ordinary Resolution 6. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions	133,560,758	100.00	4,938	Negligible
Special Resolution 7. Proposed Adoption of New Constitution of the Company	792,284,235	100.00	3,938	Negligible

The Chairman declared all the 7 resolutions duly carried as follows:

- (a) Resolution 1 - THAT the Directors' fees amounting to RM240,000 in respect of the financial year ended 30 June 2018 be approved for payment to the Directors.
- (b) Resolution 2 - THAT the Directors' benefits of up to RM89,000 for the period commencing from 24 November 2018 until the next annual general meeting of the Company be approved for payment to the Directors.
- (c) Resolution 3 - THAT Cik Zainab binti Dato' Hj. Mohamed who retired by rotation in accordance with Article 98 of the Company's Constitution be re-elected to the Board.
- (d) Resolution 4 - THAT the retiring Auditors, Messrs Ernst & Young, be re-appointed Auditors of the Company to hold office until the conclusion of the next annual general meeting and that the Directors be authorised to fix their remuneration.

(e) Resolution 5 - Authority to Directors to Issue Shares

THAT pursuant to Sections 75 and 76 of the Companies Act 2016 and subject to the approval of all relevant authorities being obtained, the Directors be and are hereby empowered to issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company (excluding treasury shares) for the time being and that such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company.

(f) Resolution 6 - Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions

THAT approval be and is hereby given for the renewal of the mandate granted by the Shareholders of the Company on 22 November 2017, for the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for its day-to-day operations as detailed in paragraph 3.3 and with those related parties as set out in paragraph 3.2 of Part A of the Circular to Shareholders of the Company dated 25 October 2018 ("Related Parties") which has been despatched to the Shareholders of the Company, provided that such transactions are undertaken in the ordinary course of business and are on normal commercial terms which are consistent with the Group's usual business practices and policies, 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; and

THAT authority conferred by this ordinary resolution will only continue to be in force until:

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

whichever is the earlier; and

THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things to give effect to the transactions contemplated and/or authorised by this ordinary resolution.

(g) Resolution 7 (Special Resolution) - Proposed Adoption of New Constitution of the Company

THAT the constitution in the form and manner as set out in Appendix I of Part B of the Circular to Shareholders of the Company dated 25 October 2018 be and is hereby approved and adopted as the Constitution of the Company in substitution for, and to the exclusion of, the existing Constitution of the Company.

**PARKSON HOLDINGS BERHAD (“PHB”) (89194-P)**  
(Incorporated in Malaysia)

35th Annual General Meeting held on 23 November 2018

- Management’s response to Minority Shareholder Watchdog Group’s letter dated 12 November 2018

<b>No. Questions</b>	<b>PHB’s Comments</b>
<p><b><u>Strategic &amp; Financial Matters</u></b></p> <p>1. As shown on Page 33 of the Annual Report under the Group Financial Highlights, the Group has been recording declining gross sales proceeds (though revenue has been increasing) and continuous net losses since FY2016.</p> <p>What measures are being taken to address the continuing losses and has there been any concrete results. When is the Group expected to be profitable?</p>	<p>For the financial year ended 30 June 2018 (“FY2018”), the Group has turned around its results by posting an operating profit of RM3 million (FY2017: Operating loss of RM142 million) following the execution of its transformation strategies, efforts in optimising stores’ productivity and implementing cost rationalisation.</p> <p>However, the Group reported a loss before tax of RM83 million for the FY2018 which included impairment losses on, amongst others, property, plant and equipment and intangible assets totalling RM89 million.</p> <p>The Group will continue to drive its growth proactively including diversification of retail formats, and strive to optimise store productivity and implement cost rationalisation which have yielded results as seen in the past few quarters.</p>
<p>2. On Page 41 of the Annual Report under the Management Discussion and Analysis (MD&amp;A), we note that the Group’s number of stores has declined from 119 in FY2017 to 113 in FY2018.</p> <p>What was the reason for the store closures? What are the plans and targets in relation to the number of stores?</p>	<p>Store network optimisation exercise is part of the Group’s continuous measures in maximising operational efficiencies. During the FY2018, the Group had closed 12 underperforming stores after careful consideration, and opened 6 new stores.</p> <p>Opening of new stores will be done selectively; whilst the Group will continue to take active measures to monitor and assess the viability of its existing stores.</p>

No. Questions	PHB’s Comments
<p>3. As stated on Page 42 under the Management Discussion and Analysis (MD&amp;A), despite higher revenue in FY2018, the operations of Malaysia (Parkson) recorded a higher operating loss of (RM52 million) which was attributed to the impact from the gestation period of new retail stores and the margin erosion from the promotional activities.</p> <p>Is the Board optimistic of a turnaround for Malaysia (Parkson) in FY2019?</p>	<p>Our Malaysia Parkson department stores continued to contribute positively to the Group. The weak performance for the financial year under review was due to losses from new retail stores during their ramp-up period.</p> <p>Notwithstanding new retail stores and lifestyle offerings requiring time to breakeven, the Group aims to transforming its business in tandem with customer expectations and the macroeconomic environment, as well as optimising both the operational efficiency and network of stores.</p>
<p>4. On Page 43, the operations of China (Parkson) registered higher revenue and turned-around in FY2018. As reported, the Group sees ample opportunities and positive signs ahead.</p> <p>How confident is the Board that the better results can be sustained in FY2019 with higher revenue and higher profits?</p>	<p>Despite improvement in operations recorded in the FY2018, the Group remains cautious of the challenges brought by the “new retail” (a new concept that integrates e-commerce and physical retail stores). In light of the more challenging yet booming consumption market environment in China, the Group believes that its first-hand understanding of consumer demand, together with the transformation strategies focusing on diversification of retail formats, operational optimisation and cost rationalisation, will bode well for the Group.</p>
<p>5. We noted on Page 43 (MD&amp;A) that over the years, Parkson has demonstrated its capability in retail mall management.</p> <p>What are the Group’s plans in growing retail mall management in various countries?</p>	<p>The <i>Qingdao Lion Mall</i> in China has achieved high occupancy rate and turned profitable during its first full year of operation. Riding on the success of the <i>Qingdao Lion Mall</i>, the Group was invited to manage a property in Nanning, China.</p> <p>The Group will seek opportunities to grow its retail mall management operations in all the countries it operates in, which aligns with its asset-light model and generates stable income stream for the Group.</p>

<b>No. Questions</b>	<b>PHB’s Comments</b>
<p>6. What is the outlook for Parkson’s operations in Vietnam, Myanmar and Indonesia in FY2019?</p>	<p>The influx of retail players will continue to be the primary challenge to our Indochina operations; whereas the upcoming general election in Indonesia is likely to impact consumer sentiments there.</p> <p>Moving forward, the Group expects to show improvement for its operations in the above countries by focusing on brand enhancement and optimisation of store productivity.</p>
<p>7. As noted on Page 109 (Note 5), the Group’s Other Income decreased from RM340.8 million in FY2017 to RM318.8 million in FY2018 mainly due to the decline in “Others” from RM63.3 million in FY2017 to RM44.0 million in FY2018.</p> <p>What constitutes “Others” and what was the reason for the significant decline?</p>	<p>“Others” comprised mainly discounts from suppliers, gains on expired vouchers, reversal of impairment losses and foreign exchange gain.</p> <p>The higher amount under “Others” in FY2017 was mainly due to the tax refunded from China tax authorities of about RM12 million. The overall decline in FY2018 was in line with closure of stores.</p>

THE COMPANIES ACT 2016  
MALAYSIA

PUBLIC COMPANY LIMITED BY SHARES

CONSTITUTION  
OF  
**PARKSON HOLDINGS BERHAD (89194-P)**

**COMPANY NAME**

1. The name of the Company is PARKSON HOLDINGS BERHAD.

**REGISTERED OFFICE**

2. The registered office of the Company will be situated in Malaysia.

**MEMBERS' LIABILITIES**

3. The liability of the members is limited.

**CAPACITY AND POWERS**

4. Section 21 of the Companies Act 2016 shall apply to the Company and 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 the Directors considered advantageous to the Company and that are not prohibited under any law for the time being in force in Malaysia.
5. The powers of the Company in addition to those conferred under Section 21 of the Companies Act 2016 shall include:
  - (a) To receive money on deposit or loan and borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debenture, or debenture stock (perpetual or otherwise) and to secure repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company (both present and future), including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or any other person or company as the case may be.
  - (b) To lend and advance money or give credit to any person or company, to guarantee or give guarantees or indemnities for the payment of money or the performance of contracts or obligations by any person or company or to secure or undertake in any way the repayment of moneys lent or advanced to or the liabilities incurred by any person or company in any manner and in particular by the issue of debentures (perpetual or otherwise), bonds, mortgages, charges, pledges, liens or any other securities charged, founded or based upon all or any of the property (both present and future) and rights of the company, including its uncalled capital, and otherwise to assist any such person or company.

## INTERPRETATION

6. In this Constitution, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context:

"Act"	means the Companies Act 2016 and any statutory modification, amendment or re-enactment thereof;
"Auditors"	means the auditors for the time being of the Company;
"Board"	means the Board of Directors of the Company;
"Bursa Securities"	means Bursa Malaysia Securities Berhad;
"CD-ROM"	means compact disc ready-only memory;
"Central Depositories Act"	means the Securities Industry (Central Depositories) Act 1991 and any statutory modification, amendment or re-enactment thereof;
"clear days"	means in relation to a period of notice that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
"Company"	means PARKSON HOLDINGS BERHAD or such other name as may be adopted from time to time;
"Constitution"	means Constitution of the Company as adopted or as altered from time to time by special resolution or as required by the Act and/or the Listing Requirements;
"Deposited Security"	means a security, as defined in Section 2 of the Central Depositories Act, standing to the credit of a securities account of a Depositor and subject to the provisions of the Central Depositories Act and the Rules;
"Depositor"	means a holder of a securities account established by the Depository;
"Depository"	means Bursa Malaysia Depository Sdn Bhd;
"Director"	means a Director of the Company;
"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;

"Listing Requirements"	means the Main Market Listing Requirements of Bursa Securities including any amendment to the Listing Requirements that may be made from time to time;
"market day"	means a day on which the stock market of Bursa Securities is open for trading in securities;
"Member"	means any person for the time being holding shares in the Company and whose name appears in (i) the Register of Members (except Bursa Malaysia Depository Nominees Sdn Bhd) or (ii) the Record of Depositors;
"Record of Depositors"	means a record provided by the Depository to the Company under Chapter 24.0 of the Rules;
"resolution"	in relation to a resolution of the Company, means an ordinary resolution;
"Rules"	has the meaning given in Section 2 of the Central Depositories Act;
"seal"	means the common seal of the Company;
"Secretary"	means any person appointed to perform the duties of a secretary of the Company;
"securities account"	means an account established by the Depository for a Depositor for the recording of deposit of securities and for dealing in such securities by the Depositor; and
"treasury shares"	has the meaning ascribed to it in the Act and Clause 18 of this Constitution.

7. In this Constitution:

- (a) headings and underlinings are for convenience only and do not affect the interpretation of this Constitution;
- (b) words including the singular only shall include the plural and the masculine gender shall include the feminine and neuter genders and the word "person" shall include a corporation;
- (c) unless the contrary intention appears, an expression referring to writing includes printing, lithography, photography and other modes of representing, or reproducing words in a visible form, whether in a physical document or in an electronic communication or form or otherwise howsoever;
- (d) unless the contrary intention appears, words or expressions contained in the provisions of this Constitution must be interpreted in accordance with the provisions of the Interpretation Act 1967 as in force at the date at which this Constitution becomes binding on the Company;

- (e) unless the contrary intention appears, an expression has, in any of the provisions of this Constitution that deals with a matter dealt with by any provision of the Act, the same meaning as in that provision of the Act;
- (f) notwithstanding the Act and the provisions of this Constitution, all dealings and transactions in respect of any security of the Company which has been prescribed by Bursa Securities and deposited with the Depository shall be governed by the provisions of the Central Depositories Act and the Rules, which application shall extend to any additional listing of such security and all other types of securities issued by the Company for listing on Bursa Securities; and
- (g) notwithstanding the Act, a depositor whose name appears in the Record of Depositors maintained by the Depository pursuant to Section 34 of the Central Depositories Act, in respect of the securities of the Company which have been deposited with the Depository shall be deemed to be a Member, debenture holder, interest holder or option holder, as the case may be, of the Company, and shall, subject to the provisions of the Central Depositories Act and any regulations made thereunder, be entitled to the number of securities stated in the Record of Depositors and all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such securities.

### **SHARE CAPITAL**

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| 8.  | The shares in the Company may be divided into several classes and there may be attached thereto respectively any preferential, deferred, or other special rights, privileges, conditions, or restrictions as to dividends, capital, voting, or otherwise.   | Share capital               |
| 9.  | Subject always to the respective rights, terms and conditions as stated herein, the Company shall have the power to increase or reduce capital, and to consolidate and divide its capital into shares of larger or lesser amount than its existing shares, and also to from time to time alter, modify, commute, abrogate, or deal with any such rights, privileges, terms or designations in accordance with the Constitution for the time being of the Company.   | Alteration of share capital |
| 10. | <ul style="list-style-type: none"> <li>(a) No Member is entitled to a certificate in respect of any Deposited Security except in accordance with the Rules and any applicable law; and</li> <li>(b) the Depository or its nominee company shall be entitled to receive jumbo certificates in denominations requested by the Depository or its nominee company for the Deposited Security which shall be issued in accordance with the Central Depositories Act and the Rules. If the Depository or its nominee company shall require more than 1 jumbo certificate in respect of the Deposited Security, it shall pay such fee as the Directors may from time to time determine and which the Company may be permitted to charge by law and by Bursa Securities plus any stamp duty payable under any law for the time being in force.</li> </ul> | Deposited Security          |

11. (a) The Company may exercise the power to pay commission conferred by Section 80 of the Act if:
- (i) the rate or the amount of the commission paid or agreed to be paid is disclosed in the manner required by the Act; and
- (ii) the commission does not exceed 10% of the price at which the shares in respect of which the commission is paid are issued.
- (b) The commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly by the payment of cash and partly by the allotment of fully or partly paid shares.
- (c) The Company may, on any issue of shares, also pay such brokerage as may be lawful.

Power of paying commission and brokerage

#### **NEW SHARES TO BE OFFERED TO MEMBERS**

12. (a) Subject to any direction to the contrary that may be given by the Company in meeting of Members, 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 meeting of Members in proportion as nearly as circumstances admit, to the amount of the existing shares or securities to which they are entitled.
- (b) 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.
- (c) The Directors may, after the expiration of the time referred to in Clause 12(b) or on receipt of an intimation from the Member to whom the offer is made that he declines to accept the shares or securities offered, dispose of those shares or securities, together with any shares that cannot, in the opinion of the Directors, be conveniently offered under this Clause by reason of the proportion that the shares or securities offered bear to shares or securities already held, in such manner as they think most beneficial to the Company.
- (d) The Company shall ensure that all new issue of securities and all other types of securities proposed to be listed on Bursa Securities, including any additional listing of such securities (except where the Company is specifically exempted from compliance with Section 38 of the Central Depositories Act, in which event it shall so similarly be exempted from compliance with this provision), are made by way of crediting the securities accounts of the allottees with such securities.

Issue of new shares to Members

13. (a) Notwithstanding Clause 12(a) and the existence of a resolution under Sections 75(1) and 76(1) of the Act approving the issuance of shares by the Company, 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 12 months, exceeds 10% of the total number of issued shares (excluding treasury shares) of the Company, except where the shares or convertible securities are issued with the prior approval of the Members in meeting of Members of the precise terms and conditions of the issue.
- (b) In working out the number of shares or convertible securities that may be issued by the Company, if the security is a convertible security, each such security is counted as the maximum number of shares into which it can be converted or exercised.
14. No shares in the Company may be issued, where the issue of those shares has the effect of transferring a controlling interest in the Company, without the prior approval of Members by resolution passed in meeting of Members. Share issues having effect of transferring controlling interest
15. Every issue of shares or options to employees and/or Directors shall be approved by the Members in the meeting of Members and such approval shall specifically detail the amount of shares or options to be issued to such employees and/or Directors.

#### **CLASSES OF SHARES**

16. (a) Subject to the provisions of this Constitution, the rights attached to any class of shares (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. Variation of rights
- (b) The provisions of this Constitution relating to meetings of Members apply so far as they are capable of application and with any necessary changes to every such separate meeting.
- (c) The rights conferred upon the holder of the shares of any class issued with preferred or other rights will not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to have been varied by the creation or issue of further shares ranking equally with the first-mentioned shares.
- (d) Subject to Section 130 of the Act, where any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a long period, the Company may pay interest on so much of such share capital as is for the time being paid up and charge the interest so paid to capital as part of the cost of construction or provision.

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| 17. | Subject to the Act and this Constitution, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed.   | Preference shares             |
| 18. | Subject to the Act, the Company may by ordinary resolution purchase its own shares. Any shares in the Company so purchased by the Company shall be dealt with in accordance with the relevant provisions of the Act.  | Company purchasing own shares |
| 19. | <p>(a) Except as required by law, the Company must not recognise a person as holding a share upon any trust.</p> <p>(b) The Company is not bound by or compelled in any way to recognise (whether or not it has notice of the interest or rights concerned) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except as otherwise provided by the provision of this Constitution or by law) any other right in respect of a share except an absolute right to the entirety thereof in the registered holder.</p> | Trusts                        |

#### **LIEN**

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| 20. | The Company's lien on shares and dividends from time to time declared in respect of such shares, 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.   | Company's lien on shares and dividends |
| 21. | 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 a sum in respect of which the lien exists is presently payable, nor until the expiration of 14 days from the notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy. | Power to enforce lien by sale          |
| 22. | The proceeds of any such sale after payment of the amount of interests and costs relating to the sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue (if any) shall (subject to any like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale or his executors, administrators or assignees or as he directs.         | Application of proceeds of sale        |

#### **CALLS ON SHARES**

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| 23. | The Directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment. | Differences in calls and payments |
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24. (a) The Directors may make calls upon the Members in respect of any money unpaid on the shares of the Members and not by the terms of issue of those shares made payable at fixed times, provided that no call shall be payable at less than 30 days from the date fixed for the payment of the last preceding call. Directors may make calls
- (b) Each Member must, upon receiving at least 14 days' notice specifying the date, time and place of payment, pay to the Company the amount called on his shares.
- (c) The Directors may revoke or postpone a call.
25. A call will be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and such resolution may authorise the call to be paid by instalments.
26. If a sum called in respect of a share is not paid before or on the day appointed for payment of the sum, the person from whom the sum is due must pay interest on the sum from the day appointed for payment of the sum to the time of actual payment at a rate of 8% per annum or as the Directors determine, but the Directors may waive payment of that interest wholly or in part. Interest on unpaid calls
27. Any sum that, by the terms of issue of a share, becomes payable on allotment or at a fixed date, will for the purposes of this Constitution be deemed to be a call duly made and payable on the date on which by the terms of issue the sum becomes payable, and, in the case of non-payment, all the relevant provisions of this Constitution as to payment of interest and expenses, forfeiture or otherwise apply as if the sum had become payable by virtue of a call duly made and notified. Sums payable on fixed dates
28. (a) The Directors may if they think fit receive from any Member willing to advance the payment of all or any part of the moneys uncalled and unpaid upon any share by him and upon all or any of the moneys so advanced may (until the same would, but for such advance, become payable) pay interest at such rate not exceeding 8% per annum as may be agreed upon between the Directors and the Member paying such sum in advance. Advance of calls
- (b) Moneys paid on shares in advance of calls shall not, whilst carrying interest, confer a right to participate in profits.

#### **TRANSFERS OF SECURITIES**

29. The transfer of Deposited Securities, shall be by way of book entry by the Depository in accordance with the Rules and, notwithstanding Sections 105, 106 or 110 of the Act, but subject to Section 148(2) of the Act and any exemption that may be made in compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of such Deposited Securities. Transfer of securities

30. Where:
- (a) the securities of the Company are listed on another stock exchange; and
- (b) the Company is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act 1998, as the case may be, under the Rules in respect of such securities,

Transmission of securities from foreign register

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

31. In the case of the death of a Member, where the deceased was a sole holder, the legal personal representatives of the deceased, and where the deceased was a joint holder, the survivor, will be the only person recognised by the Company as having any title to his interest in the shares.

Transmission

32. (a) Subject to the Act, Central Depositories Act, the Rules and to the provisions of this Constitution, a person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such information being produced as is properly required by the Directors, elect either to be registered himself as holder of the share or to have some other person nominated by him registered as the transferee of the share.
- (b) If he elects to have another person registered, he must execute a transfer of the share to that other person, provided always that where the share is a Deposited Security and subject to the Rules, any subsequent transfer or withdrawal of the share may be carried out by that other person.
- (c) In either case under Clause 32(a) above all the limitations, restrictions and provisions of this Constitution relating to the right to transfer, and the registration of transfers of shares, are applicable to any such notice or transfer as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a notice or transfer signed by that Member.

33. (a) Where the registered holder of a share dies or becomes bankrupt, his personal representative or the trustee of his estate, as the case may be, is, upon the production of such information as is properly required by the Directors, entitled to the same dividend 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.

Rights of personal representative or trustee

- (b) The Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within 90 days the Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

### **FORFEITURE OF SHARES**

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| 34. | (a) | If a Member fails to pay the whole or any part of a call or instalment of a call on the day appointed for payment of the call or instalment, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest that has accrued.   | Notice to pay calls   |
|     | (b) | The notice shall specify a date (not earlier than the expiration of 14 days from the date of service of the notice) on or before which 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 appointed, the shares in respect of which the call was made will be liable to be forfeited.   | Length of notice  |
| 35. | (a) | Upon failure to comply with the notice served under Clause 34, any share in respect of which the notice has been given may at any time thereafter, unless the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect.   | Failure to comply with notices                                |
|     | (b) | Such a forfeiture must include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. A notice of forfeiture must be sent to the Member within 14 days of the forfeiture.   |   |
| 36. |     | A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit, and, at any time before a sale or disposal, the forfeiture may be cancelled on such terms as the Directors think fit.   | Sale of forfeited shares                                      |
| 37. |     | A Member whose shares have been forfeited ceases to be a Member in respect of the forfeited shares, but remains liable to pay to the Company all moneys that, at the date of forfeiture, was payable by him to the Company in respect of the shares (including interest at the rate of 8% per annum from the date of forfeiture until the date of payment, on the money for the time being unpaid if the Directors think fit to enforce payment of the interest), but his liability ceases as and when the Company receives payment in full of all the moneys (including interest) so payable in respect of the shares. | Liability to the Company of person whose shares are forfeited |
| 38. |     | A statutory declaration in writing declaring that the person making the declaration is a Director or a Secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, is prima facie evidence of the facts stated in the declaration as against all persons claiming to be entitled to the share.   | Proof of forfeiture   |

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| 39. | <p>(a) The Company may receive the consideration (if any) given for a forfeited share on any sale or disposal of the share and may, subject to the Central Depositories Act and the Rules, execute a transfer of the share in favour of the person to whom the share is sold or disposed of.</p> <p>(b) Upon the execution of the transfer, the transferee must be registered as the holder of the share and is not bound to see to the application of any money paid as consideration.</p> <p>(c) The title of the transferee to the share is not affected by any irregularity or invalidity in connection with the forfeiture, sale or disposal of the share.</p> <p>(d) The balance of the consideration (after deducting all unpaid calls and instalments, accrued interest and expenses) must be paid to the person whose shares have been forfeited, or to his executors, administrators or assignees or as he directs.</p> | Consideration received on sale of forfeited shares                       |
| 40. | The provisions of this Constitution as to forfeiture shall apply in the case of non-payment of any sum that, by the terms of issue of a share, becomes payable at a fixed time, as if that sum had been payable by virtue of a call duly made and notified.   | Non-payment of sums payable at fixed times                               |
| 41. | Where any share has been forfeited in accordance with this Constitution, notice of the forfeiture shall forthwith be given to the holder of the share or to the person entitled to the share by reason of the death or bankruptcy or the case maybe and an entry of such notice having been given, and of the forfeiture with the date thereof shall forthwith be made in the Record of Depositors opposite to the share.   | Notice of forfeiture to be given and entered in the Record of Depositors |

#### **CONVERSION OF SHARES INTO STOCK**

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| 42. | The Company may, by resolution, convert all or any of its paid-up shares into stock and re-convert any stock into paid-up shares of any number.   | Conversion of shares into stock and reconversion |
| 43. | <p>(a) Subject to Clause 16(b), where shares have been converted into stock, the provisions of this Constitution relating to the transfer of shares apply, so far as they are capable of application, to the transfer of the stock or of any part of the stock.</p> <p>(b) The Directors may fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum and direct that fractions of a Ringgit Malaysia or of any other sum shall not be dealt with, with power nevertheless, at their discretion to waive such stipulations in any particular case.</p> | Holder of stock may transfer their interest      |
| 44. | (a) The holders of stock have, according to the amount of the stock held by them, the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose.   | Rights of stockholders                           |

- (b) No such privilege or advantage (except participation in the dividends and profits of the Company and in the assets of the Company on winding-up) will be conferred by any amount of stock that would not, if existing in shares, have conferred that privilege or advantage.
45. The provisions of this Constitution that are applicable to paid-up shares apply to stock, and references in those provisions to share and Member must be read as including references to stock and stockholder, respectively. Definition

### INCREASE OF CAPITAL

46. The Company may from time to time, whether all the shares for the time being issued shall have been fully paid up or not, by ordinary resolution increase its share capital by the creation and issue of new shares of such respective amounts and to carry such rights or to be subject to such conditions or restrictions in regard to distribution, return of capital or otherwise as the Company may direct in the resolution authorising such increase. Increase of share capital
47. Subject to any direction to the contrary that may be given by the Company in a meeting of Members, all new shares or other convertible securities shall, before they are issued, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of meetings 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 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 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 the 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 this Clause. Issue of new shares to existing Members
48. Except so far as otherwise provided by the condition of issue, any capital raised by the creation of new shares shall be considered as part of the original share capital of the Company. All new shares shall be subject to the provisions herein contained with reference to allotments, the payment of calls and instalments, transmissions, forfeiture, lien or otherwise and shall also be subject to the Rules. New capital to be considered as part of the current share capital of the Company

### ALTERATION OF CAPITAL

49. The Company may by special resolution: Power to alter capital
- (a) 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 shares from which the subdivided share is derived; or

- (b) subdivide its shares or any of the shares, whether 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.
50. The Company may, subject to the Act, convert any class of shares into any other class of shares.
51. Subject to the Act, the Company may, by special resolution, reduce its share capital. Power to reduce capital
52. Subject to any direction by the Company in the meeting of Members, if any consolidation and/or subdivision of shares results in Members entitled to any issued shares of the Company in fractions, the Board may deal with such fractions as it may determine including (without limitation), selling the shares to which Members are so entitled for such price the Board may determine and paying and distributing to the Members entitled to such shares in due proportions the net proceeds of such sales.

### **MEETINGS OF MEMBERS**

53. The Company shall in each year hold an annual general meeting in addition to any other meetings in that year, within 6 months of the Company's financial year end and not more than 15 months after the last preceding annual general meeting. Annual general meeting
54. The main venue of all meetings of Members and annual general meetings shall be within Malaysia at such time and place as the Board shall determine. The chairperson shall be present at that main venue of meeting. The Board may whenever it so decide by resolution convene a meeting of Members other than annual general meeting. Meeting of Members
55. In addition, a meeting of Members other than an annual general meeting shall be convened on such requisition as referred to in Section 311 of the Act or if the Company makes default in convening a meeting in compliance with a requisition received pursuant to Section 311 of the Act, a meeting may be convened by the requisitionists themselves in the manner provided in Section 313 of the Act. Any meeting convened by requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Board. Requisition of meetings
56. The meeting of Members may be held at more than 1 venue using any technology or method that enables the Members to participate and to exercise the Members' rights to speak and vote at the meeting. Meetings of Members at 2 or more venues

### **NOTICE OF MEETINGS**

57. (a) A meeting of Members must be convened by notice in writing of not less than 14 days' and in the case of a meeting for the passing of a special resolution or an annual general meeting, 21 days' notice shall be given. Notice

- (b) The accidental omission to give notice to, or the non-receipt of a notice by, any person entitled thereto shall not invalidate the proceedings at any meeting of Members.
  - (c) At least 14 days' notice of such a meeting, or 21 days' notice in the case where any special resolution is proposed or where it is the annual general meeting (other than an adjourned general meeting) must be given by advertisement in at least 1 nationally circulated Bahasa Malaysia or English daily newspaper and in writing to Bursa Securities.
  - (d) The Company shall request the Depository in accordance with the Rules, to issue a Record of Depositors to whom notices of meeting of Members shall be given by the Company and a Record of Depositors as at the latest date which is reasonably practicable which shall in any event be not less than 3 market days before the meeting of Members (the "Meeting of Members Record of Depositors").
  - (e) Subject to the Securities Industry (Central Depositories) (Foreign Ownership) Regulations, 1996 (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 Meeting of Members Record of Depositors.
  - (f) In every notice calling a meeting there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not also be a Member.
58. (a) A notice of a meeting of Members must specify the place, day and hour of meeting and must state the general nature of the business to be transacted at the meeting. Content of business
- (b) In the case of an annual general meeting, the notice shall also specify the meeting as such. The notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution.
  - (c) In the case of any meeting of Members at which business other than routine business is to be transacted the notice shall specify the general nature of such business and shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business; and if any resolution is to be proposed as a special resolution the notice shall contain a statement to that effect.
59. (a) Notice of every meeting of Members must be given in the manner authorised by Clause 136 to Clause 137 to:
- (i) every Member conferring the right to attend and vote at the meeting who, at the time of convening of the meeting shall have paid all calls or other sums presently payable by him in respect of shares in the Company;
  - (ii) the Auditors;

- (iii) the Directors; and
  - (iv) Bursa Securities.
- (b) No other person is entitled to receive notices of meetings of Members.
60. Routine business shall mean and include only the following business transactions: Routine business
- (a) Declaring dividends;
  - (b) Considering the financial statements, the reports of the Directors and Auditors;
  - (c) Fixing the remuneration of the Directors;
  - (d) Electing Directors in the place of those retiring; and
  - (e) Appointing Auditors and fixing remuneration of the Auditors or determining the manner in which such remuneration is to be fixed.

#### **PROCEEDINGS AT MEETINGS**

61. (a) The Members may participate in a meeting of Members at more than 1 venue by video conference, web-based communication, electronic or such other communication facilities or technologies available from time to time in the future which will permit all Members participating in the meeting to communicate with each other simultaneously and instantaneously and to vote at such meeting.
- (b) Participation by a Member in a meeting by any of the communication facilities referred to in Clause 61(a) of this Constitution shall be deemed as present at the said meeting and shall be counted towards the quorum notwithstanding the fact that he is not physically present at the main venue where the meeting is to be held.
- (c) The main venue of such meeting shall be in Malaysia and the chairperson of the meeting shall be present at that main venue of the meeting.
- (d) Such meeting shall not be deemed to have proceeded for such period or periods where any of the communication facilities referred to in Clause 61(a) have been disconnected. The chairperson of such meeting shall have the discretion to postpone the meeting which had been disconnected and which cannot be reconnected within reasonable time, to another date and time to be agreed by the Members of the meeting.

62. No business may be transacted at any meeting of Members unless a quorum of Members is present at the time when the meeting proceeds to business. Subject to the provisions of this Constitution, 2 Members present in person or by proxy shall constitute a quorum at any meeting of Members. For the purpose of constituting a quorum:
- Quorum
- (a) 1 or more representatives appointed by a corporation shall be counted as 1 Member; or
  - (b) 1 or more proxies appointed by a person shall be counted as 1 Member.
63. If a quorum is not present within 30 minutes from the time appointed for the meeting:
- Absence of quorum
- (a) where the meeting was convened upon the requisition of Members, the meeting must be dissolved; or
  - (b) in any other case:
    - (i) the meeting stands adjourned to such day, and at such time and place, as the Directors determine or, if no determination is made by the Directors, to the same day in the next week at the same time and place (or if that day be a public holiday, then to the immediate next business day); and
    - (ii) if at the adjourned meeting a quorum is not present within 30 minutes from the time appointed for the meeting, the Members present shall be a quorum.
64. (a) If the Directors have elected 1 of their number as Chairman of their meetings, he shall preside as Chairman at every meeting of Members. If no Chairman has been elected, the Managing Director shall preside as Chairman at the meetings of Members.
- (b) Where a meeting of Members is held and the Chairman or the Managing Director is not present within 20 minutes after the time appointed for the holding of the meeting or is unwilling to act, the Directors present may choose 1 of their number or if no Director be present or if all the Directors present decline to take the Chair, the Members present shall choose 1 of their number to be Chairman of the meeting.
65. (a) The Chairman may with the consent of any meeting at which a quorum is present and must if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business must be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- Adjournment of meeting
- (b) When a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of an original meeting.
- (c) Except as provided by Clause 65(b), it is not necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting.

66. Subject to any express requirement under the Listing Requirements, any resolution set out in the notice of meeting of Members, or in any notice of resolution which may properly moved and is intended to be moved at any meeting of Members, shall be determined by poll. A poll shall be taken in such manner and either forthwith or after an interval or adjournment or otherwise as the chairperson 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 a question of adjournment shall be taken immediately. The Company shall appoint at least 1 scrutineer for the purposes of a poll in accordance with the Act, and may, in addition to the power of adjourning meetings contained in Clause 65(a) hereof adjourn the meeting to some place and time fixed for the purpose of declaring the result of the poll. Voting by poll
67. The chairperson of the meeting declares whether or not the resolutions put to vote at a meeting of Members are carried, based on the poll results, which show the total number of votes cast on the poll (together with the percentage) in favour of and against the resolution, as announced by the scrutineer.
68. (a) In the case of an equality of votes on a poll, the chairman of the meeting shall have a casting vote in addition to the vote which he may be entitled as a Member. Chairman's casting vote
- (b) If at any meeting of Members any votes shall be construed which ought not to have been counted or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same meeting, and not in that case unless it shall, in the opinion of the chairman of the meeting be of sufficient magnitude to vitiate the result of the voting.
69. A poll shall not be demanded on the election of a chairman.
70. Subject to the Act and any rights or restrictions for the time being attached to any class or classes of shares: Voting rights of Members
- (a) a holder of ordinary shares upon which all calls due to the Company have been paid is entitled to be present and to vote at any meeting of Members of the Company;
- (b) at meetings of Members or classes of Members each Member entitled to vote may vote in person or by proxy;
- (c) on a resolution to be decided on a show of hands every holder of ordinary shares or preference shares who is present in person or by proxy has 1 vote, and on a poll every holder of ordinary shares or preference shares present in person or by proxy and entitled to vote has 1 vote for each share he holds; and
- (d) a proxy appointed to attend and vote at a meeting of the Members shall have the same rights as the Member to speak at the meeting.

71. (a) If a Member is of unsound mind or is a person whose person or estate is liable to be dealt with in any way under the law relating to mental health, his committee or trustee or such other person as properly has the management of his estate may exercise any rights of the Member in relation to a meeting of Members as if the committee, trustee or other person were the Member. No person claiming to vote pursuant to this Clause shall do so unless such evidence as the Directors may require of his authority shall have been deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting at which he intends to vote. Vote of Member of unsound mind
- (b) Any such committee or other person may vote by proxy or attorney.
72. (a) Any corporation which is a Member of the Company may by resolution of its Directors or other governing body authorise such person or persons as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company, and the person so authorised shall be entitled to exercise the same power on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company. Corporate representatives
- (b) Subject to the Act, the corporation may authorise or appoint more than 1 person as its representative to exercise the same power on behalf of the corporation provided that if the representatives purport to exercise the power in the same way, the power is treated as exercised in that way. If the representatives do not purport to exercise the power in the same way, the power is treated as not exercised.
73. A Member shall not be entitled to appoint more than 2 proxies to attend and vote at the same meeting of Members.
74. (a) If a Member appoints 2 proxies to attend at the same meeting, the instrument of proxy must specify the proportion of his shareholdings to be represented by each proxy. Appointment of more than 1 proxy
- (b) A Member may appoint any person to be his proxy to attend and vote instead of the Member at the meeting. A proxy need not be a Member of the Company.
- (c) Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in 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.
- (d) An exempt authorised nominee refer to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provision of subsection 25A(1) of the Central Depositories Act.

75. An instrument appointing a proxy must be in the following form or in a form that is as similar to the following form as the circumstances allow: Form of proxy

**PARKSON HOLDINGS BERHAD**

I/We, (name of Member) of (address), being a Member/Members of the Company, hereby appoint (name of proxy) of (address) or failing whom, (name of proxy) of (address) as my/our proxy to vote for me/us and on my/our behalf at the \*Annual/Extraordinary General Meeting of the Company to be held at (place) on (date) at (time) and at any adjournment thereof.

Resolutions	For	Against
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Please indicate with an "X" how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his discretion.

As witness my/our hand this \_\_\_\_\_ day of \_\_\_\_\_

No. of shares: \_\_\_\_\_ Signed: \_\_\_\_\_

76. (a) An instrument appointing a proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. Instrument of proxy
- (b) An instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.
77. An instrument appointing a proxy will not be treated as valid unless the instrument and the power of attorney or other authority (if any) under which the instrument is signed or a notarially certified copy of that power or authority, is or are deposited, not less than 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 24 hours before the time appointed for the taking of the poll), at the registered office of the Company or at such other place as is specified for that purpose in the notice convening the meeting. Completed form of proxy sent through facsimile transmission or any electronic or digital manner shall not be accepted. Deposit of instrument appointing proxies
78. (a) An instrument appointing a proxy shall be deemed to confer authority generally to act at any meeting for the Member giving the proxy and shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates. Extent of authority

- (b) Any form of proxy issued by the Company shall be so worded that a Member may direct his proxy to vote either for or against any of the resolutions to be proposed.
  - (c) The proxy shall be deemed to include the right to demand, or join in demanding, a poll and to speak at the meeting.
  - (d) An instrument appointing a proxy will be deemed to confer authority to agree to a meeting being convened by shorter notice than is required by the Act or by the provisions of this Constitution and to a resolution being proposed and passed as a special resolution at a meeting of which less than 21 days' notice has been given.
79. A vote given in accordance with the terms of an instrument of proxy or of a power of attorney is valid despite the previous death or unsoundness of mind of the principal, the revocation of the instrument (or of the authority under which the instrument was executed) or of the power, if no intimation in writing of such death, unsoundness of mind or revocation has been received by the Company at the registered office at least 1 hour before the commencement of the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the instrument is used or the power is exercised.

Death,  
unsoundness of  
mind of principal

#### **DIRECTORS**

80. (a) Unless and until the Company shall by resolution otherwise resolve, there must be at least 2 but not more than 12 Directors.
- (b) The Company may, by resolution, increase or reduce the number of Directors, and may also determine in what rotation such increased or reduced number is to go out of office.
81. (a) Subject to the provisions of this Constitution, the Directors shall be paid such fee as is from time to time determined by ordinary resolution of the Company and that fee shall be divided among the Directors in such proportions and manner as the Directors may determine and, in default of such determination, equally, except that any Directors who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office.
- (b) That fee will accrue from day to day.
- (c) The Directors may also be paid and/or reimbursed all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or meetings of Members of the Company or otherwise in connection with the business of the Company in the course of the performance of their duties as Directors.

Number of  
Directors

Remuneration of  
Directors

Expenses

- (d) Subject to the provisions of this Constitution, if any Director being willing renders or is called upon to perform extra services or to make any special exertions in going or residing abroad or otherwise for any business or purposes of the Company, the Directors may arrange with that Director for a special remuneration by the payment of a stated sum of money and that special remuneration may be by way of salary, percentage of profits or otherwise as the Directors may determine but not a commission based on or percentage of turnover. Extra remuneration
- (e) Fees payable to non-executive Directors must be a fixed sum and not by way of commission based on, or percentage of, profits or turnover.
- (f) Salaries payable to Managing Director must not include a commission based on, or percentage of, turnover.
- (g) Fees payable to Directors and any benefits payable to the Directors including any compensation for loss of employment of the Director shall be subject to Members' approval in a meeting of Members annually.
- (h) The Directors shall have power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits to or to any person in respect of any Director or ex-Director who may hold or have held any executive office or any office or place of profit under the Company or any subsidiary company and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund or to pay premiums. Pensions for Directors
82. A Director is not required to have any share qualifications but nevertheless shall be entitled to attend and speak at any meeting of Members and at any separate meeting of the holders of any class of shares in the Company. Share qualifications

**DIRECTOR MAY HOLD OTHER OFFICE OR  
CONTRACT WITH COMPANY**

83. (a) A Director may hold any other office or place of profit (except that of Auditors) in the Company in conjunction with the office of Director and on such terms as to remuneration and otherwise as the Directors of the Company by resolution may determine.
- (b) A Director will not be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise nor will such a contract or any contract or arrangement entered into by or on behalf of the Company in which a Director is in any way, whether directly or indirectly, interested be avoided nor will a Director be liable, by reason of holding his office or of the fiduciary relations thereby established, to account to the Company for any profit arising from such a contract or from such contracts or arrangement provided always that Sections 221 and 228 of the Act and all other relevant provisions of the Act and this Constitution are complied with.

- (c) A Director may not vote in respect of any contract or arrangement or proposed contract or arrangement in which he is in any way, whether directly or indirectly, personally interested or in respect of any matter arising out of such a contract or arrangement or proposed contract or arrangement.

#### **EXECUTIVE OFFICE**

84. (a) The Directors may from time to time appoint 1 or more of their body to be the holder of any executive office subject to the control of the Board and upon such terms and for such period as they may determine. Appointment to executive office
- (b) The Directors may subject to Clause 84(c) appoint 1 of their body to the office of Managing Director and may from time to time (subject to any contract between him and the Company) remove or dismiss him from office and appoint another in his place. The Managing Director, or a person performing the functions of a Managing Director, by whatever name called, shall be subject to the control of the Board.
- (c) The appointment of any Director to the office of Managing Director shall be subject to termination if he ceases from any cause to be a Director, but without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company.
- (d) The appointment of any Director to any other executive office, shall be subject to termination if he ceases from any cause to be a Director unless the contract or resolution under which he holds office shall state otherwise but without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company.
85. The Directors may entrust to and confer upon a Director holding any executive office any of the powers (other than the power to make calls on or to forfeit shares) exercisable by them as Directors upon such terms and conditions and with such restrictions as they may think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any such powers or shall be subject to the control of the Board. Powers of Managing Director

#### **PROCEEDINGS OF DIRECTORS**

86. (a) The provisions set out in the Third Schedule of the Act shall not govern the proceedings of the Board.
- (b) The Directors may meet together for the despatch of business and adjourn and otherwise regulate their meetings as they think fit.
- (c) A Director may at any time, and a Secretary must on the requisition of a Director, convene a meeting of the Directors.

- (d) Without limiting the discretion of the Directors to regulate their meetings under Clause 86(b), the Directors may, if they think fit, confer by radio, telephone, closed circuit television or other electronic means of audio or audio-visual communication and a resolution passed by such a conference will, despite the fact that the Directors are not present together in 1 place at the time of the conference, be deemed to have been passed at a meeting of the Directors held on the day on which and at the time at which the conference was held. The provisions of this Constitution relating to proceedings of Directors apply so far as they are capable of application and with any necessary changes to such conferences.
87. (a) Subject to the provisions of this Constitution, questions arising at a meeting of Directors must be determined by a majority of votes of Directors present and voting and any such decision will for all purposes be deemed a decision of the Directors. Voting of Directors
- (b) Every Director present at the meeting has 1 vote.
- (c) Subject to Clause 87(d), in case of an equality of votes, the chairman of the meeting has a casting vote.
- (d) The chairman does not have a casting vote if there are only 2 Directors present at the meeting or if there are only 2 Directors present at the meeting who are competent to vote on the question in issue.
88. It shall not be necessary to give notice of a meeting of Directors to any Directors or Alternate Director for the time being absent from Malaysia. Notice
89. (a) A Director who has not appointed an Alternate Director may authorise any other Director to vote for him at any meeting or meetings at which he is not present and in that event the Director so authorised shall have a vote for each Director by whom he is so authorised in addition to his own vote. Authority for Director to vote for absent Director
- (b) Every such consent and authority shall be communicated either in writing or by any electronic means directly to the Board or conveyed through the Secretary.
90. (a) The number of Directors whose presence is necessary to constitute a quorum is 2, except as otherwise fixed by the Directors. Quorum
- (b) An Alternate Director shall count as representing the Director appointing him in ascertaining whether a quorum of Directors is formed.
91. In the event of a vacancy or vacancies in the office of a Director or offices of Directors, the remaining Directors may act but, if the number of remaining Directors is not sufficient to constitute a quorum at a meeting of Directors, they may, except in an emergency, act only for the purpose of increasing the number of Directors to a number sufficient to constitute such a quorum or of convening a meeting of Members of the Company. Directors may act if no quorum

92. (a) A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest in accordance with the provisions of Sections 219 and 221 of the Act.
- (b) A general notice that a Director, Alternate Director or Managing Director is a member of or interested in any specified firm or corporation with whom any contract is proposed to be entered into in relation to the affairs of the Company and is to be regarded as interested in all transactions with such firm or corporation shall be a sufficient disclosure under this Clause as regards such Director and the said transaction and after such general notice it shall not be necessary for such Director to give any special notice relating to any particular transaction with such firm or corporation.
93. A Director may vote in respect of:
- (a) any arrangement for giving any Director any security or indemnity in respect of money lent by him to or obligation undertaken by him for the benefit of the Company;
- (b) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by deposit of a security; and
- (c) any contract or arrangement with any corporation in which he is interested only as a Director of the Company and the Member not more than the number or value as is required to qualify him for appointment as a Director or having an interest not more than 5% of the issued share capital of the Company.
94. A Director, notwithstanding his interest, may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any such office or place of profit under the Company or whereat the terms of any such appointment are arranged and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of the terms thereof.
95. A Director may by himself or through his firm act in a professional capacity for the Company (except as Auditors of the Company), and the Director and his firm are entitled to remuneration for professional services as if the Director was not a Director.
96. (a) A Director of the Company may be or become a Director or other officer of or otherwise interested in any corporation promoted by the Company or in which the Company may be interested as a Member or otherwise and he will not be accountable to the Company for any remuneration or other benefits received by him as a Director or officer of or from his interest in the other corporation.
- Declaration of interest
- Director appointed at a meeting to hold other office to be counted in the quorum

- (b) The Directors may exercise the voting power conferred by the shares or other interest in any such other corporation held or owned by the Company, or exercisable by them as Directors of such other corporation in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them as Directors or other officers of such corporation), and any Director may vote in favour of the exercise of such voting rights in manner aforesaid, notwithstanding that he may be, or is about to be, appointed a Director or other officer of such corporation and as such is or may become interested in the exercise of such voting rights in manner aforesaid.
97. The Directors shall keep a register of Directors as required by the Act. The said register shall be open to the inspection of Members of the Company as prescribed in the Act. Register of Directors to be kept
98. (a) The Directors must elect 1 of their number as Chairman, and may elect 1 or more Vice-Chairman, and may determine the period for which such officers shall respectively hold office. Chairman and Vice-Chairman
- (b) Where such a meeting is held the Chairman or in the absence of the Chairman the Vice-Chairman (if any) or in the event that there are more than 1 Vice-Chairman the senior in appointment among them shall preside; and
- (i) if the Chairman or Vice-Chairman has not been elected as provided by Clause 98(a); or
- (ii) the Chairman or Vice-Chairman is not present within 20 minutes after the time appointed for the holding of the meeting or is unwilling to act, the Directors present must elect 1 of their number or his alternate as the case may be to be Chairman of the meeting.
99. (a) If a majority of Directors have signed a document containing a statement that they are in favour of a resolution of the Directors in terms set out in the document, a resolution in those terms will be deemed to have been passed at a meeting of the Directors held on the day on which the document was signed and at the time at which the document was last signed by a Director, or, if the Directors signed the document on different days, on the day on which, and at the time at which, the document was last signed by a Director and, where a document is so signed, the document will be deemed to constitute a minute of that meeting.
- (b) For the purposes of Clause 99(a), 2 or more separate documents containing statements in identical terms each of which is signed by 1 or more Directors will together be deemed to constitute 1 document containing a statement in those terms signed by those Directors on the respective days in which they signed the separate documents, and may be sent to the Secretary by facsimile transmission, or may be first approved via email or other electronic communication media, followed by the documents with original signature to be returned to the Secretary.

- (c) If a Director is not present in Malaysia, the document mentioned in Clause 99(a) may be signed by the person (if any) appointed to be an Alternate Director in his place.
- 100.
- (a) The Directors may delegate any of their powers (other than the power to make calls on or to forfeit shares) to a committee or committees consisting of either such of their number or members of their management or a combination thereof as they think fit.
  - (b) A committee to which any powers have been so delegated must exercise the powers delegated in accordance with any directions of the Directors and a power so exercised will be deemed to have been exercised by the Directors.
  - (c) The meetings and proceedings of any such committee consisting of 2 or more members shall be governed by the provision of this Constitution regulating the meetings and proceedings of the Directors so far as the same are applicable and are not superseded by any directions made by the Directors under Clause 100(b).
101. All acts done by any meeting of the Directors or of a committee of Directors or by any person acting as a Director shall as regards all persons dealing in good faith with the Company notwithstanding that it is later discovered that there was some defect in the appointment of a person to be a Director or a member of the committee, or to act as a Director, or that a person so appointed was disqualified, as valid as if the person had been duly appointed and was qualified to be a Director or to be a member of the committee.
- Validation of Act

#### **POWERS AND DUTIES OF DIRECTORS**

- 102.
- (a) Subject to the Act and the provisions of this Constitution, the business of the Company will be managed by the Directors, who may pay all expenses incurred in promoting and forming the Company, and may exercise all such powers of the Company as are not, by the Act or by the provisions of this Constitution, required to be exercised by the Company in meeting of Members, subject nevertheless to the provisions of this Constitution, the provisions of the Act and the provisions of this Constitution not being inconsistent with the aforesaid clauses or provisions as may be prescribed by special resolution of the Company.
  - (b) No clauses so made by the Company shall invalidate any prior act of the Directors which would have been valid if such clause had not been made.
  - (c) The general powers given by this Clause shall not be limited or restricted by any special authority or power given to the Directors by any other clauses.

103. Without limiting the generality of Clause 102 but subject to the Act, the Directors may: Borrowing powers
- (a) exercise all the powers of the Company to borrow money, to charge any property or business of the Company or all or any of the uncalled capital and to issue debentures or give any other security for a debt, liability or obligation of the Company;
  - (b) exercise all the powers of the Company to guarantee payment of money payable under contracts or obligations of any subsidiary company or companies or any other person as is permissible pursuant to the Listing Requirements with or without securities; and
  - (c) borrow money or mortgage or charge any property, business or undertaking of the Company or its subsidiaries, or all or any of the uncalled capital and issue debentures or give any other security for a debt, liability or obligation of any person as is permissible pursuant to the Listing Requirements.
104. The Directors may establish any local boards or agencies for managing any of the affairs of the Company, either in Malaysia or elsewhere, and may appoint any persons to be members of such local boards, or 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 discretion vested in the Directors with power to sub-delegate and may authorise the members of any local boards or any of them to fill any vacancy therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed and 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, etc.
105. (a) The Directors may, by power of attorney under the seal, 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, with such powers, authorities and discretion (being powers, authorities and discretion vested in or exercisable by the Directors), for such period and subject to such conditions as they think fit. Power to appoint attorney
- (b) Any such power of attorney may contain such provisions for the protection and convenience of persons dealing with the attorney as the Directors think fit and may also authorise the attorney to delegate all or any of the powers, authorities and discretion vested in him.

106. The Directors may establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension, provident or superannuation funds for the benefit for, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to, 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 or associate company of the Company or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid and holding or who held any salaried employment or office in the Company or predecessors or other company and the wives, widows, families and dependents of any such persons, and may 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. Power to maintain pension or fund
107. Subject to particulars with respect to the pension, provident or superannuation funds being disclosed to the Members and to the proposal being approved by the Company by ordinary resolution if the Act shall so require, a Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuities, pension, allowance or emoluments. 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 Constitution and may vote as a Director upon any resolution in respect of any such matter notwithstanding that he is personally interested in such matter but only where such matter is intended to be for the benefit generally of all, or any class or classes, of such employees and servants or former employees or servants (including Directors or other officers) and/or their respective wives, widows, families and dependents.
108. All cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, and all receipts for money paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such other manner as the Directors from time to time determine or as the committee so formed under Clause 100 shall in the same manner determine. Signature of cheques and bills

#### **VACATION OF OFFICE OF DIRECTORS**

109. The vacation of office of Directors shall be in accordance to the circumstances in which the office of a Director becomes vacant by virtue of the Act. Disqualification of Directors

#### **ROTATION OF DIRECTORS**

110. (a) At each annual general meeting of the Company, 1/3 of the Directors or if their number is not 3 or a multiple of 3, then the number nearest 1/3, shall retire from office. Rotation of Directors
- (b) The Directors to retire at each annual general meeting must be those who have been longest in office since their last election and, as between persons who became Directors on the same day those to retire must (unless they otherwise agree among themselves) be determined by lot.

- (c) An election of Directors shall take place each year. All Directors shall retire from office once at least in each 3 years, but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.
111. (a) The Directors may at any time appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the number determined in accordance with the provisions of this Constitution.
- (b) Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.
- (c) The Company at the meeting at which a Director so retires may fill the vacated office by electing a person thereto, and in default, the retiring Director, shall if offering himself for re-election, be deemed to have been re-elected, unless at that meeting it is expressly resolved not to fill the vacated office or unless a resolution for the re-election of that Director is put to the meeting and lost.
112. (a) The Company may by resolution, of which special notice has been given to all Members entitled to receive notices, remove any Director before the expiration of his period of office notwithstanding anything in the provisions of this Constitution or any agreement between the Company and such Director. Removal of Directors
- (b) The removal under Clause 112(a) shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company.
- (c) The Company may by resolution appoint another person in place of a Director removed from office under Clause 112(a) and without prejudice to the powers of the Directors under Clause 111(a) the Company in meeting of Members may appoint any person to be a Director, either to fill a casual vacancy or as an additional Director.
- (d) A person appointed in place of a Director so removed or to fill such a vacancy 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 is appointed was last elected a Director.
113. The Company in meeting of Members may from time to time by ordinary resolution increase or reduce the number of Directors. Increase or reduction of number of Directors
114. At a meeting of Members at which more than 1 Director is to be elected, each candidate shall be the subject of a separate motion and vote unless a motion for the appointment of 2 or more persons as Directors by a single resolution shall have first been agreed to by the meeting without any vote being given against it. No appointment of Directors by single resolution

115. (a) Subject to Clause 115(b), a person (other than a Director retiring in accordance with Clauses 110 and 111) is not eligible for election to the office of Director unless the Member intending to propose him has, at least 11 clear days before 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.
- (b) In the case of a person recommended by the Directors for election, only 9 clear days' notice is necessary.
- (c) Notice of each candidature for election to the Board must be served on the Members at least 7 days before the meeting at which the election is to be considered.

Nomination of  
Director

#### **ALTERNATE DIRECTORS**

116. (a) A Director may, with the approval of a majority of the other Directors, appoint a person (who is not a Director or an Alternate Director of another Director) to be an Alternate Director in his place during such period as he thinks fit.
- (b) An Alternate Director is (subject to his giving to the Company an address within Malaysia at which notices may be served upon him) entitled to notice of meetings of the Directors and, if the appointor is not present at such a meeting, is entitled to attend and vote in his stead.
- (c) An Alternate Director may exercise any powers that the appointor may exercise and the exercise of any such power by the Alternate Director will be deemed to be the exercise of the power by the appointor.
- (d) An Alternate Director is not required to have any share qualifications.
- (e) An appointment or the termination of an appointment, of an Alternate Director must be effected by a notice in writing signed by the Director who makes or made the appointment and left with the Secretary.
- (f) An Alternate Director shall not be entitled to receive any remuneration from the Company for his services as an Alternate Director. Any fee paid to an Alternate Director shall be such as shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the nominating Director.
117. (a) The appointment of an Alternate Director may be terminated at any time by the appointor even if the period of the appointment of the Alternate Director has not expired, and terminates in any event if the appointor vacates office as a Director.

Removal of  
Alternate Director

- (b) The appointment of an Alternate Director shall ipso facto be terminated:
  - (i) on the happening of any event which if he were a Director would render him legally disqualified from acting as a Director;
  - (ii) if his appointor ceases for any reason to be a Director, except retirement by rotation or immediate re-election; or
  - (iii) if his appointor or the majority of the other Directors revokes his appointment by delivering a notice in writing to the registered office of the Company.

### **SECRETARY**

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| 118. | The Secretary/Joint Secretaries shall in accordance with the Act be appointed by the Directors for such term, at such remuneration, and, upon such conditions as they may think fit, and any Secretary/Joint Secretaries so appointed may be removed by them. | Secretary/Joint Secretaries                                      |
| 119. | (a) The Directors may from time to time by resolution appoint a temporary substitute for the Secretary who shall be deemed to be the Secretary during the term of his appointment.  | Temporary substitute secretary                                   |
|      | (b) A provision of the Act or these presents 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.                                   | Same person may not act as Director and Secretary simultaneously |
|      | (c) A provision of the Act or these presents requiring or authorising a thing to be done by or to the Secretary shall be satisfied by its being done by or to 1 or more of the Joint Secretaries, if any for the time being appointed by the Directors.       | Joint Secretaries  |

### **SEAL**

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| 120. | The Directors may provide for a duplicate seal which shall be a facsimile of the seal of the Company with the addition on its face of the words "Securities Seal" and a certificate under such duplicate seal shall be deemed to be sealed with the seal for the purpose of the Act.  | Formalities for affixing seal |
| 121. | The Directors shall provide for the safe custody of the seal and Securities Seal, which shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf.   |                               |
| 122. | Every instrument to which the seal shall be affixed shall be autographically signed by a Director and either by a second Director or by the Secretary or by another person appointed by the Directors for the purposes, save and except that, in the case of a certificate or other document of title in respect of any share, stock, loan stock, debenture, as defined in the Act, or other marketable security created or issued by the Company given under the seal or the Securities Seal, the Directors may by resolution determine that such signatures may be affixed by some mechanical means to be specified in such resolution. |                               |

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| 123. | (a) | The Company may exercise the powers conferred by Sections 62(4) and 62(5) of the Act respecting an official seal for use outside Malaysia and conferred by Section 62 of the Act respecting a duplicate seal and such powers shall be vested in the Directors.           | Duplicate seal  |
|      | (b) | The Company may exercise the powers conferred by the Act with regard to keeping of a branch register, and the Directors may (subject to the provisions of the sections) make and vary such regulations as they may think fit in respect of keeping of any such register. | Branch register |

**AUTHENTICATION OF DOCUMENTS**

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| 124. | Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting this Constitution and any resolutions passed by the Company or the Directors 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 the office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. | Power to authenticate documents                  |
| 125. | A document purporting to be a copy of a resolution of the Directors or an extract from the minutes of a meeting of the Directors which is certified as such in accordance with Clause 124 shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of a duly constituted meeting of the Directors.   | Certified copies of resolutions of the Directors |

**DIVIDENDS**

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| 126. | The Company may make a distribution of dividends to the Members out of profits of the Company available if the Company is solvent, but no dividend shall exceed the amount as authorised by the Board.  | Declaration of dividends out of profits |
| 127. | (a) Subject to the rights of persons (if any) entitled to shares with special rights as to dividend, all dividends must be declared and paid according to the amounts paid or credited as paid on the shares in respect of which the dividend is paid.  | Payment of dividends                    |
|      | (b) All dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but, if any share is issued on terms providing that it will rank for dividend as from a particular date, that share ranks for dividend accordingly. |   |
|      | (c) An amount paid or credited as paid on a share in advance of a call will not be taken for the purposes of this Constitution to be paid or credited as paid on the share.   |   |
| 128. | The Directors may deduct from any dividend payable to a Member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares in the Company.  |   |

129. (a) The Directors in authorising a distribution of dividends may direct payment of such dividend wholly or partly by the distribution of specific assets, including treasury shares in the Company or paid up shares in, or debentures of, any other corporation or in any 1 or more of those ways and the Directors must give effect to such a resolution. Dividend in species
- (b) Where a difficulty arises in regard to such a distribution, the Directors may settle the matter as they consider expedient and fix the value for distribution of the specific assets or any part of those assets and may determine that cash payments will be made to any Member on the basis of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as the Directors consider expedient.
130. Any dividend, interest, or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the person whose name appears in the Register of Members or the Record of Depositors of the Company or to such address as the holder may in writing direct or paid by way of electronic transfer of remittance to the bank account provided by the Member to Depository from time to time. Every such cheque or warrant or electronic transfer of remittance shall be made payable to the order of the person to whom it is sent or remitted, and the payment of any such cheque or warrant or electronic transfer of remittance shall operate as a good discharge to the Company in respect of the dividend, interest or other moneys payable in cash represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that the endorsement thereon, or the instruction for the electronic transfer of remittance, has been forged. Every such cheque or warrant or electronic transfer of remittance shall be sent or remitted at the risk of the person entitled to the money thereby represented and the Company shall have no responsibility for any sums lost or delayed in the course of delivery or remittance or where the Company has acted on any such instructions of the Member. Manner of payment of dividends
131. The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares herein before contained entitled to become a Member, or which any person is under those provisions entitled to transfer, until such person shall become a Member in respect of such shares or shall transfer the same. Retention of dividends
132. The payment of any unclaimed dividend, interest or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of 12 months from the date of declaration of such dividend shall be dealt with in accordance with the provisions of the Unclaimed Moneys Act, 1965. Unclaimed dividends

### **RESERVES**

133. (a) The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as reserves, to be applied, at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

- (b) Pending any such application, the reserves may, at the discretion of the Directors, be used in the business of the Company or be invested in such investments as the Directors think fit.
134. (a) The Directors may divide the reserve into such special funds as they think fit and may consolidate into 1 fund any special funds or any parts of any such funds into which the reserve may have been divided provided that no revenue reserve fund shall be consolidated with any capital reserve fund.
- (b) The Directors may carry forward so much of the profits remaining as they consider ought not to be distributed as dividends without transferring those profits to a reserve.

### **CAPITALISATION OF PROFITS**

135. The Company may upon recommendation of the Board resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and accordingly that such sum be set free for distribution amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such Members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed, credited as fully paid up to and amongst such Members in the proportion aforesaid or partly in the 1 way and partly in the other and the Board shall give effect to such resolution.

### **NOTICES**

136. Notice of a meeting of Members or any other document shall be in writing and shall be given to the Members either: Service of notices and/or documents
- (a) in hard copy;
  - (b) in electronic form; or
  - (c) partly in hard copy and partly in electronic form.
137. A notice or any other document:
- (a) given in hard copy shall be sent to any Member either personally or by post to the last known address provided by the Member to the Company for such purpose; or
  - (b) given in electronic form shall be transmitted to the electronic last known address provided by the Member to the Company for such purpose or by publishing on a website, subject to the Act and the Listing Requirements.

The last known address of a Member will be the relevant contact details of the Member as provided to the Depository.

Subject to Section 320 of the Act, the Company may send or supply a notice, document or information by means of a website if it separately and immediately notifies the Members or holders of other securities of the Company of the publication of such notice, document or information on the website and the designated website link or address where a copy of such notice, document or information may be downloaded.

138. (a) Any notice or other document if served by post shall be deemed to be served the following day on which a properly stamped letter containing the same is posted. In proving service by post, it shall be sufficient to prove that the letter containing the notice or document was properly addressed and stamped and put into a Government post office letter box. When service effected
- (b) If a notice, document or information is sent or supplied by the Company by means of a website it is treated as being received by the intended recipient when the material was first made available on the website or, if later, when the recipient received (or is treated as having received) notice of the fact that the material was available on the website. Any such notification, if by electronic mail, there must be proof of electronic mail delivery.
139. A notice may be given by the Company to the person entitled to a share in consequence of death or bankruptcy of a Member by sending it through representatives of the deceased, or assignee of the bankrupt, or by any like description, at the address, if any, within Malaysia provided for the purpose by the person claiming to be so entitled, or (until such an address has been so provided) by giving the notice in any manner in which the same might have been if the death or bankruptcy had not occurred. Every person who, by operation of law, transfer, transmission or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share, which previously to his name and address being entered in the Register of Members or the Record of Depositors as the registered holder of such share, shall have been duly given to the person from whom he derives the title to such share. Notice in case of death or bankruptcy

#### **ANNUAL REPORTS**

140. The Directors shall from time to time in accordance with Sections 248 and 252 of the Act cause to be prepared and laid before the Company in meeting of Members such financial statements and directors' report as are referred to in the sections. The interval between the close of a financial year of the Company and the issue of annual audited financial statements relating to that financial year, the directors' and auditors' reports shall not exceed 4 months. A copy of each such documents shall, not less than 21 days before the date of the meeting, in the printed form or in CD-ROM or in such other form of electronic media, be sent to every Member and to every holder of debentures (if any) of the Company in accordance with the provisions of the Act or this Constitution provided that this Clause shall not require a copy of these documents to be sent to any person of whose address the Company is not aware but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the registered office of the Company. In the event annual report is sent in CD-ROM form or in such other form of electronic media, and a Member requires a printed form of such documents, the Company shall send such documents to the Member.

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| 141. | Save as may be necessary for complying with the provisions of the statutes, the Directors shall not be bound to publish any list or particulars of the securities or investments held by the Company or to give any information with reference to the same to any Member. | Particulars of investments |
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**INSPECTION OF RECORDS**

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| 142. | <p>(a) Nothing in this Constitution, the Central Depositories Act or the Rules, shall be construed as affecting the obligation of the Company to keep a Register of Members, a Register of Debentures, a Register of Substantial Shareholders and a Register of Option Holders and to open them for inspection in accordance with the provisions of the Act except that the Company shall not be obliged to enter in such registers the names and particulars of depositors who are deemed to be Members, debenture holders, substantial shareholders or option holders.</p> <p>(b) The Directors must determine whether and to what extent, and at what time and places and under what conditions, the accounting records and other documents of the Company or any of them will be open to the inspection of Members other than Directors, and a Member other than a Director does not have the right to inspect any document of the Company except as provided by law or authorised by the Directors or by the Company in meeting of Members.</p> |
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**AUDITORS**

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| 143. | Auditors shall be appointed in accordance with Section 271 of the Act and their duties regulated in accordance with Section 266 of the Act.  | Auditors   |
| 144. | Subject to the provisions of the Act, all acts done by any person acting as Auditors shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in their appointment or that they were at the time of their appointment not qualified for appointment.                                 | Appointment of Auditors  |
| 145. | 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 audited financial statements (including every document required by law to be annexed thereto) and Auditors' report in accordance with Section 266 of the Act. | Auditors' report   |
| 146. | The Auditors shall be entitled to attend any meeting of Members and to receive all notices of and other communications relating to any meeting of Members which any Member is entitled to receive, and to be heard at any meeting of Members on any part of the business of the meeting which concerns them as Auditors.                               | Auditors' right to receive notices of and attend and speak at meeting of Members |

## **WINDING-UP**

147. (a) If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the Members in kind the whole or any part of the assets of the Company and may for that purpose set such value as he considers fair upon any asset to be so divided and may determine how the division is to be carried out as between the Members or different classes of Members.
- (b) If in a winding-up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding-up, the excess shall be distributed among the Members in proportion to the capital at the commencement of the winding-up, paid up or which ought to have been paid-up on the shares held by them respectively. But this Clause is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.
- (c) The liquidator may, with the sanction of a special resolution, vest the whole or any part of any such asset in trustees upon such trusts for the benefit of the contributors as the liquidator thinks fit, but so that no Member is compelled to accept any shares or other securities in respect of which there is any liability.

## **INDEMNITY**

148. Subject to the Act, every Director, Secretary or other officers (as defined in the Act) for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred or sustained by him in or about the execution of his duties of his office or otherwise in relation thereto, and the Company may effect insurance for such persons against such liability.

## **SECRECY CLAUSE**

149. Save as may be expressly 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 or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, it would be inexpedient in the interest of the Members of the Company to communicate to the public.

## **ALTERATION**

150. Subject to the Act, the Company may by special resolution delete, alter or add to this Constitution. Alteration of this Constitution

## **COMPLIANCE WITH STATUTES, REGULATIONS AND RULES**

151. The Company shall comply with the provisions of the relevant governing statutes, regulations and rules as may be amended, modified or varied from time to time, or any other directive or requirement imposed by the stock exchange, the Depository and other appropriate authorities to the extent required by law, notwithstanding any provisions in this Constitution to the contrary.

## **EFFECT OF THE LISTING REQUIREMENTS**

152. (a) Notwithstanding anything contained in this Constitution, if the Listing Requirements prohibit an act being done, the act shall not be done.
- (b) Nothing contained in this Constitution prevents an act being done that the Listing Requirements require to be done.
- (c) 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).
- (d) 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.
- (e) If the Listing Requirements require this Constitution not to contain a provision and it contains such a provision, this Constitution is deemed not to contain that provision.
- (f) 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.