

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

Bursa Malaysia Securities Berhad (“Bursa Securities”) has not perused Part A of this Circular prior to issuance as Hong Leong Bank Berhad (“HLB”) has been selected by Bursa Securities as one of the eligible listed issuers under the Green Lane Policy, whilst Part B of this Circular is categorised under Exempt Circular prescribed by Bursa Securities. Bursa Securities takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



CIRCULAR TO SHAREHOLDERS

IN RELATION TO

PART A

PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

PART B

PROPOSED ADOPTION OF NEW CONSTITUTION

The resolutions in respect of the above proposals will be tabled at the forthcoming Annual General Meeting (“AGM”) of HLB to be held at the Auditorium, Ground Floor, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur on Tuesday, 29 October 2019 at 10.00 a.m. or at any adjournment thereof. The Notice of AGM and the Form of Proxy are set out in the 2019 Annual Report of HLB, which is despatched together with this Circular.

CONTENTS

PART A - PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

LETTER TO SHAREHOLDERS RELATING TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

	PAGE
1. INTRODUCTION	2
2. DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE	
2.1 Provisions under the Main Market Listing Requirements	3
2.2 Classes of related parties	4
2.3 Nature of RRPT contemplated	4
2.4 Amount due and owing by related parties	8
2.5 Methods or procedures on which transaction prices are determined/review procedures for RRPT	8
2.6 Validity period of the Proposed Renewal of Shareholders' Mandate	9
2.7 Disclosure.....	9
3. RATIONALE FOR AND BENEFITS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE	10
4. CONDITION OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE	10
5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS	10
6. DIRECTORS' RECOMMENDATION	11
7. RESOLUTION ON THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND AGM	12
8. FURTHER INFORMATION	12

CONTENTS (Cont'd)

PART B - PROPOSED ADOPTION OF NEW CONSTITUTION

LETTER TO SHAREHOLDERS RELATING TO THE PROPOSED ADOPTION OF NEW CONSTITUTION

	PAGE
1. INTRODUCTION	14
2. DETAILS AND RATIONALE OF THE PROPOSED ADOPTION OF NEW CONSTITUTION	14
3. EFFECTS OF THE PROPOSED ADOPTION OF NEW CONSTITUTION	15
4. CONDITION OF THE PROPOSED ADOPTION OF NEW CONSTITUTION	15
5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS	15
6. DIRECTORS' RECOMMENDATION	15
7. RESOLUTION ON THE PROPOSED ADOPTION OF NEW CONSTITUTION AND AGM	15
8. FURTHER INFORMATION	15

APPENDICES

APPENDIX I	- DEFINITIONS PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS	16
APPENDIX II	- PERSONS CONNECTED WITH HLCM AS AT 10 SEPTEMBER 2019	18
APPENDIX III	- ACTIVITIES OF THE HLB GROUP AS AT LPD	20
APPENDIX IV	- PROPOSED NEW CONSTITUTION	21
APPENDIX V	- FURTHER INFORMATION	59

NOTICE OF AGM - ENCLOSED IN THE 2019 ANNUAL REPORT OF HLB

FORM OF PROXY - ENCLOSED IN THE 2019 ANNUAL REPORT OF HLB

PART A

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

DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout Part A of this Circular:

“Act”	: Companies Act 2016, as amended from time to time and any re-enactment thereof
“AGM”	: Annual General Meeting
“Board” or “Directors”	: Board of Directors of HLB
“Bursa Securities”	: Bursa Malaysia Securities Berhad
“Group Management And/Or Support Services”	: Include services such as corporate advisory, secretarial and legal, treasury and risk management, internal audit, accounting and tax, share registration, nominees, custodian and executive share scheme administration, human resources management, training, investment, support on corporate social responsibility initiatives, strategic business planning and any other services as may be agreed between the parties from time to time
“HLB” or “the Bank”	: Hong Leong Bank Berhad
“HLB Group”	: HLB and its subsidiaries
“HLCM”	: Hong Leong Company (Malaysia) Berhad, the holding company of HLFG with 77.31% equity interest
“HLFG”	: Hong Leong Financial Group Berhad, the holding company of HLB with 64.37% equity interest
“HLFG Group”	: HLFG and its subsidiaries
“HLISB”	: Hong Leong Islamic Bank Berhad, a wholly-owned subsidiary of HLB
“LPD”	: 3 September 2019, being the latest practicable date prior to the printing of this Circular
“Main Market Listing Requirements”	: Main Market Listing Requirements of Bursa Securities, as amended from time to time
“RM” and “sen”	: Ringgit Malaysia and sen respectively
“RRPT”	: Related party transactions which are recurrent, of a revenue or trading nature and which are necessary for the day-to-day operations
“Proposed Renewal of Shareholders’ Mandate”	: Shareholders’ approval for a general mandate in relation to recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the HLB Group as set out in Section 2.3 herein
“Securities”	: Has the same meaning given in Capital Markets and Services Act 2007, as amended from time to time
“Services”	: Include sale, maintenance and marketing services, property management services, security services, fund management services and any other services as may be agreed between the parties from time to time
“Shares”	: Issued ordinary shares in HLB

Registered Office:
Level 30, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur

30 September 2019

DIRECTORS:

YBhg Tan Sri Quek Leng Chan (Chairman; Non-Executive/Non-Independent)
Mr Tan Kong Khoon (Executive Director/Non-Independent)
Mr Kwek Leng Hai (Non-Executive Director/Non-Independent)
Ms Chok Kwee Bee (Non-Executive Director/Independent)
YBhg Dato' Nicholas John Lough @ Sharif Lough bin Abdullah (Non-Executive Director/Independent)
YBhg Datuk Dr Md Hamzah bin Md Kassim (Non-Executive Director/Independent)
Ms Chong Chye Neo (Non-Executive Director/Independent)
Ms Lau Souk Huan (Non-Executive Director/Independent)

To: The Shareholders of Hong Leong Bank Berhad

Dear Sir/Madam

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

1. INTRODUCTION

At the Bank's AGM held on 29 October 2018, the Bank obtained mandates from its shareholders for the HLB Group to enter into RRPT with related parties. The said mandates shall, in accordance with the Main Market Listing Requirements, expire at the conclusion of the forthcoming AGM of the Bank to be held on Tuesday, 29 October 2019 at 10.00 a.m. ("Said AGM"), unless they are renewed at the Said AGM.

In connection thereto, on 25 September 2019, the Bank announced that your Directors propose to seek your approval for the Proposed Renewal of Shareholders' Mandate at the Said AGM.

The purpose of Part A of this Circular is to provide you with details of the Proposed Renewal of Shareholders' Mandate and to seek your approval for the proposed ordinary resolution pertaining to the Proposed Renewal of Shareholders' Mandate to be tabled at the Said AGM.

The Notice of the Said AGM together with the Form of Proxy are set out in the 2019 Annual Report of HLB, which is despatched together with this Circular.

2. DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

2.1 Provisions under the Main Market Listing Requirements

Paragraph 10.09(2) of the Main Market Listing Requirements provides that a listed issuer may seek a mandate from its shareholders for RRPT of a listed issuer or its subsidiaries subject to, inter-alia, the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (b) the shareholder mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholder mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under paragraph 10.09(1) of the Main Market Listing Requirements;
- (c) the listed issuer's circular to shareholders for the shareholder mandate includes the information as may be prescribed by Bursa Securities. The draft circular, where applicable, must be submitted to Bursa Securities together with a checklist showing compliance with such information;
- (d) in a meeting to obtain the shareholder mandate, the interested director, interested major shareholder or interested person connected with a director or major shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution to approve the transactions. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions; and
- (e) the listed issuer immediately announces to Bursa Securities when the actual value of a RRPT entered into by the listed issuer exceeds the estimated value of the RRPT disclosed in the circular to shareholders by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

Where a listed issuer has procured a shareholder mandate pursuant to the above, the provisions of paragraph 10.08 of the Main Market Listing Requirements will not apply with regard to transactions as detailed in Section 2.3 of Part A of this Circular.

Further, as HLB and its wholly-owned subsidiary, HLISB are companies falling under paragraph 9.20(2)(b) of the Main Market Listing Requirements i.e. companies whose activities are regulated by any written law relating to banking, finance companies or insurance and are subject to supervision by Bank Negara Malaysia, Practice Note No. 12 issued by Bursa Securities allows the Bank to procure a shareholders' mandate for the acquisition or disposal of Securities which is a recurrent transaction, involving the interests of related parties by HLB and HLISB.

The Bank proposes to seek your mandate for the HLB Group to enter into RRPT on terms not more favourable to the related parties than those generally available to and/or from the public, where applicable, and are not detrimental to the minority shareholders of HLB.

The Proposed Renewal of Shareholders' Mandate, if approved at the Said AGM, will take immediate effect upon conclusion of the Said AGM and will continue to be in force until the conclusion of the next AGM of the Bank or until the expiration of the period within which the next AGM is required by law to be held (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act), unless revoked or varied by the Bank in a general meeting, whichever is earlier.

2.2 Classes of related parties

Shareholders' approval is sought for the Proposed Renewal of Shareholders' Mandate involving RRPT which are carried out by the HLB Group with HLCM (a major shareholder of HLB through HLFM) and persons connected with HLCM ("Hong Leong Group") including those as listed in Appendix II of this Circular.

The details of shareholding of HLCM in HLB is set out in Section 5 of Part A of this Circular.

2.3 Nature of RRPT contemplated

HLB is principally engaged in all aspects of commercial banking business and in the provision of related services. The principal activities of the HLB Group include commercial banking business, Islamic banking services, property investment and management, investment holding and nominee services. Details of the subsidiaries of HLB undertaking these activities are set out in Appendix III of this Circular.

The Hong Leong Group is also involved in a diverse range of industries including, inter-alia, the following:

- manufacturing, procuring and assembling of motorcycles, scooters, motorcycle engines and related parts and products; distribution of motorcycles and motorcycle components; provision of maintenance and repair services for motorcycles; provision of research and development services for motorcycles;
- distribution, trading and provision of services in marine related products;
- manufacturing and sale of ceramic tiles; provision of research and development services for ceramic tiles;
- distribution of building materials; manufacturing, sale and distribution of fibre cement and concrete roofing products;
- manufacturing, assembling, testing and sale of integrated circuits, semiconductor devices, electronic components and leadframes;
- manufacturing and sale of cement and cement related products; manufacturing, marketing and sale of concrete and concrete related products;
- manufacturing, sale and trading in billets, steel bars, wire rods, wire mesh, pre-stressed concrete strands, bars and wires, steel pipes, steel wires and other related products;
- provision of logistics related services;
- life and general insurance and family takaful businesses;
- investment banking, stockbroking business, futures broking and related financial services; nominee and custodian services; unit trust management, fund management including Islamic fund management and sale of unit trusts;
- property investment and development; provision of project, property, consultancy and event management services; hotel operations; and
- provision of management, training and security services.

In view of the diversity of the Hong Leong Group's business, it is envisaged that in the normal course of business of the HLB Group, transactions in respect of goods and/or services between companies in the HLB Group and the Hong Leong Group will occur with some degree of frequency from time to time and may arise at any time.

The Group Management And/Or Support Services are part of the shared services of companies within the Hong Leong Group. These shared services are provided in-house in order to align with the Hong Leong Group's corporate objective and management disciplines and to reduce operating cost and improve efficiency such as through economies of scale, better utilisation and allocation of resources, standardisation of processes and operating procedures and information technology. Accordingly, the Board considers it beneficial to enter into transactions in respect of the Group Management And/Or Support Services. The Group Management And/Or Support Services are carried out on commercial terms, on terms not more favourable to the related parties than those generally available to and/or from the public, where applicable, and which will not be, in the Bank's opinion, detrimental to the minority shareholders of HLB.

One of the recommendations under the Financial Sector Masterplan (launched by Bank Negara Malaysia in March 2001) was that financial institutions create one-stop financial centers offering customers a broad range of financial products and services. In line with this, the HLB Group has embarked on cross-selling of selected financial products and services as part of the cross-selling initiatives of the HLFG Group and the following cross-selling services are carried out:

- (i) selected financial products and services of the HLB Group such as credit cards and home/car loans are sold to customers of the HLFG Group; and
- (ii) selected financial products and services of the HLFG Group such as stockbroking services, insurance, unit trusts are sold to customers of the HLB Group.

Every successful sale completed by the product owner under the cross-selling programme entitles the company, which had rendered the cross-selling service by referring or introducing its customers to the product owner, to receive a payment from the product owner. The cross-selling services are mutually beneficial to the HLB Group and the HLFG Group in that it enlarges the customer base and delivery channels for their respective products and services.

The acquisition and disposal of Securities, in which related parties may have major interests, by HLB and HLISB, licensed financial institutions, are in the ordinary course of business of HLB and HLISB.

Details of RRPT carried out/contemplated shall include, but not limited to, those described below:

(A) RRPT with the Hong Leong Group are as follows:

Transaction	Vendor/ Provider	Purchaser/ Recipient	Interested related parties	Estimated aggregate value as disclosed in the Circular to Shareholders dated 28 September 2018 ("Estimated Value") (RM' million)	Actual value transacted (from date of AGM on 29 October 2018 up to the LPD) ("Actual Value") (RM' million)	*Estimated aggregate value during the validity period of the Proposed Renewal of Shareholders' Mandate ("Current Estimated Value") (RM' million)
(a) Rental of properties to the Hong Leong Group, such as business premises** and/or meeting rooms and related facilities	HLB Group	Hong Leong Group	Tan Sri Quek Leng Chan, Kwek Leng Beng, Kwek Leng Kee, Kwek Leng Hai, HILFG and HLCM	13.00	4.06	9.00
(b) Provision of support services such as internal audit and information technology services	HLB Group	Hong Leong Group	Tan Sri Quek Leng Chan, Kwek Leng Beng, Kwek Leng Kee, Kwek Leng Hai, HILFG and HLCM	15.00	8.97	15.00
(c) Receipt of Services	Hong Leong Group	HLB Group	Tan Sri Quek Leng Chan, Kwek Leng Beng, Kwek Leng Kee, Kwek Leng Hai, HILFG and HLCM	50.00	13.85	55.00
(d) Purchase of goods such as building materials, motorcycles and other products	Hong Leong Group	HLB Group	Tan Sri Quek Leng Chan, Kwek Leng Beng, Kwek Leng Kee, Kwek Leng Hai, HILFG and HLCM	60.00	2.22	27.00
(e) Rental of properties from the Hong Leong Group such as business premises** and/or meeting rooms and related facilities	Hong Leong Group	HLB Group	Tan Sri Quek Leng Chan, Kwek Leng Beng, Kwek Leng Kee, Kwek Leng Hai, HILFG and HLCM	18.00	8.10	11.00
(f) Receipt of Group Management And/Or Support Services	Hong Leong Group	HLB Group	Tan Sri Quek Leng Chan, Kwek Leng Beng, Kwek Leng Kee, Kwek Leng Hai, HILFG and HLCM	50.00	34.00	50.00
(g) Payment for usage of the Hong Leong Group logo and trade mark	Hong Leong Group	HLB Group	Tan Sri Quek Leng Chan, Kwek Leng Beng, Kwek Leng Kee, Kwek Leng Hai, HILFG and HLCM	0.50	0.04	0.50

(B) RRPT for acquisition and disposal of Securities are as follows:

Transaction	Vendor/ Provider	Purchaser/ Recipient	Interested related parties	Estimated aggregate value as disclosed in the Circular to Shareholders dated 28 September 2018 ("Estimated Value") (RM'million)	Actual value transacted (from date of AGM on 29 October 2018 up to the LPD) ("Actual Value") (RM'million)	*Estimated aggregate value during the validity period of the Proposed Renewal of Shareholders' Mandate ("Current Estimated Value") (RM'million)
(a) Acquisition of Securities through direct business transactions, subscriptions and/or placements	Hong Leong Group	HLB Group	Tan Sri Quek Leng Chan, Kwek Leng Beng, Kwek Leng Kee, Kwek Leng Hai, HILFG and HLCM	300.00	Nil	300.00
(b) Disposal of Securities through direct business transactions and/or placements	HLB Group	Hong Leong Group	Tan Sri Quek Leng Chan, Kwek Leng Beng, Kwek Leng Kee, Kwek Leng Hai, HILFG and HLCM	300.00	Nil	300.00

Notes:

* The Current Estimated Value of the transactions is based on the Actual Value transacted and/or management's estimate of the value to be transacted during the validity period of the Proposed Renewal of Shareholders' Mandate. The Current Estimated Value of these transactions may be subject to changes.

** The rental of office space is for a tenure of up to three (3) years and payment/receipt of rental is on a monthly basis.

None of the Actual Value of the RRPT as disclosed above has exceeded the Estimated Value by 10% or more.

2.4 Amount due and owing by related parties

As at the financial year ended 30 June 2019, there is no amount due and owing to the HLB Group by its related parties arising from the RRPT as set out in Sections 2.3(A) to 2.3(B) of Part A of this Circular, which exceeded the credit term.

2.5 Methods or procedures on which transaction prices are determined/review procedures for RRPT

To ensure that the RRPT are conducted on commercial terms consistent with the HLB Group's usual business practices and policies and on terms not more favourable to the related parties than those generally available to and/or from the public, where applicable, and are not, in the Bank's opinion, detrimental to the minority shareholders, the following principles will apply:

- (i) The purchase of goods, receipt of Services and provision of support services shall be determined based on prevailing rates/prices of the goods or services (including where applicable, preferential rates/prices/discounts accorded to a class or classes of customers or for bulk purchases) according to commercial terms, business practices and policies or otherwise in accordance with other applicable industry norms/considerations.
- (ii) The rental of properties shall be at the prevailing market rates for the same or substantially similar properties and shall be on commercial terms.
- (iii) The receipt of Group Management And/Or Support Services is based on commercial terms.
- (iv) The payment and receipt of payment for cross-selling services is based on commercial terms.
- (v) The payment for usage of the Hong Leong Group logo and trade mark is based on commercial terms.
- (vi) The acquisition or disposal of Securities shall be based on prevailing market prices.

At least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by the related parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities.

In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the Board Audit Committee ("BAC"), in its review of the RRPT may, as it deems fit and whenever available, request for additional information pertaining to the transactions from independent sources or advisers.

To monitor, track and identify the RRPT, the following review procedures have been implemented:

- (i) A register is maintained to record all RRPT which are entered into pursuant to the Proposed Renewal of Shareholders' Mandate.

- (ii) The BAC will undertake a quarterly review of RRPT to ensure that such transactions are undertaken on commercial terms and on terms not more favourable to the related parties than those generally available to and/or from the public, where applicable, and are not, in the Bank's opinion, detrimental to the minority shareholders and are in the best interest of the HLB Group.

There are no specific thresholds for approval of RRPT within the HLB Group. However, all RRPT are subject to the approval of the Heads of the relevant operating companies or such persons to whom they may delegate such power subject always to any HLB Group's policies that may be issued from time to time.

The BAC will review the existing procedures and processes, on an annual basis and as and when required, to ensure that the RRPT are at all times carried out on commercial terms consistent with the HLB Group's usual business practices and policies.

The BAC of the Bank has reviewed the above procedures and is satisfied that the said procedures are adequate to monitor, track and identify RRPT in a timely and orderly manner and are sufficient to ensure that the RRPT will be carried out on commercial terms consistent with the HLB Group's usual business practices and policies and on terms not more favourable to the related parties than those generally available to and/or from the public, where applicable, and are not detrimental to the minority shareholders. Any member of the BAC who is interested in any transaction shall abstain from reviewing and deliberating on such transaction.

2.6 Validity period of the Proposed Renewal of Shareholders' Mandate

The Proposed Renewal of Shareholders' Mandate if approved at the Said AGM, shall take immediate effect upon the conclusion of the Said AGM and shall continue to be in force until:

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

whichever is the earlier.

The Proposed Renewal of Shareholders' Mandate is subject to satisfactory review by the BAC of the Bank of its continued application to RRPT.

2.7 Disclosure

Disclosure will be made in the Bank's Annual Report of the breakdown of the aggregate value of the RRPT made during the financial year, types of transactions made, names of the related parties involved and their relationship with the HLB Group pursuant to the Proposed Renewal of Shareholders' Mandate in accordance with paragraph 10.09(2) and Practice Note No. 12 of the Main Market Listing Requirements.

3. RATIONALE FOR AND BENEFITS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The rationale for and the benefits of the Proposed Renewal of Shareholders' Mandate to the HLB Group are as follows:

- (i) The Proposed Renewal of Shareholders' Mandate will facilitate transactions with related parties which are in the ordinary course of business of the HLB Group undertaken on commercial terms and on terms not more favourable to the related parties than those generally available to and/or from the public, where applicable, and are not, in the Bank's opinion, detrimental to the minority shareholders of the Bank.
- (ii) The Proposed Renewal of Shareholders' Mandate will enhance the HLB Group's ability to pursue business opportunities which are time-sensitive in nature and will eliminate the need for the Bank to convene separate general meetings to seek shareholders' approval for each transaction.
- (iii) For certain transactions, where it is vital that confidentiality be maintained, it would not be viable to obtain shareholders' prior approval as releasing details of the transaction prematurely may adversely affect and prejudice the HLB Group's interests and place the HLB Group at a disadvantage as compared to its competitors who may not require shareholders' approval to be obtained.
- (iv) The Proposed Renewal of Shareholders' Mandate will substantially reduce the expenses associated with convening general meetings on an ad hoc basis, improve administrative efficiency considerably and allow resources to be channeled towards attaining other corporate objectives.
- (v) In respect of the Group Management And/Or Support Services, the Proposed Renewal of Shareholders' Mandate will enable the HLB Group to reduce operating cost and to improve efficiency, thereby improving business and administrative efficacy for the HLB Group.

4. CONDITION OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The Proposed Renewal of Shareholders' Mandate is subject to your approval at the Said AGM.

5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

HLCM is a major shareholder of HLB through HLFG. YBhg Tan Sri Quek Leng Chan is a Director and a major shareholder of HLB and HLCM. Mr Kwek Leng Beng is a major shareholder of HLB, and a Director and major shareholder of HLCM. Mr Kwek Leng Kee is a major shareholder of HLB and HLCM. Mr Kwek Leng Hai is a Director of HLB and HLCM and has direct interest in the shares of HLB and HLCM. YBhg Tan Sri Quek Leng Chan and Mr Kwek Leng Hai are brothers.

The shareholdings of HLCM, HLFG, YBhg Tan Sri Quek Leng Chan, Mr Kwek Leng Beng, Mr Kwek Leng Kee and Mr Kwek Leng Hai in HLB as at LPD are as follows:

	No. of Shares			
	Direct	%@	Indirect	%@
HLCM	-	-	1,346,181,489	64.52*
HLFG	1,340,137,681	64.23	3,057,504	0.15*
Tan Sri Quek Leng Chan	-	-	1,346,237,169	64.52**
Kwek Leng Beng	-	-	1,346,181,489	64.52#
Kwek Leng Kee	282,344	0.01	1,346,181,489	64.52#
Kwek Leng Hai	5,510,000	0.26	-	-

Notes:

* Held through subsidiaries

** Held through HLCM and a company in which the major shareholder has interest

Held through HLCM

@ Based on the total number of issued shares (excluding 81,101,700 treasury shares) of the Bank

YBhg Tan Sri Quek Leng Chan and Mr Kwek Leng Hai have abstained and will continue to abstain from deliberating and voting on the proposed ordinary resolution pertaining to the Proposed Renewal of Shareholders' Mandate in which they are interested at the Board level.

HLCM, HLFG, YBhg Tan Sri Quek Leng Chan, Mr Kwek Leng Beng, Mr Kwek Leng Kee and Mr Kwek Leng Hai shall abstain from voting and will ensure that persons connected with them will also abstain from voting, in respect of their direct and/or indirect interests, on the proposed ordinary resolution pertaining to the Proposed Renewal of Shareholders' Mandate at the Said AGM.

Save as disclosed above, none of the other Directors and major shareholders of HLB or persons connected with the Directors or major shareholders of HLB, has any interest, direct or indirect, in the relevant resolution pertaining to the Proposed Renewal of Shareholders' Mandate.

6. DIRECTORS' RECOMMENDATION

Your Board (except for YBhg Tan Sri Quek Leng Chan and Mr Kwek Leng Hai who have abstained from expressing any opinion and voting in relation to the proposed ordinary resolution in view of their interests), having taken into consideration all aspects of the Proposed Renewal of Shareholders' Mandate, is of the opinion that the Proposed Renewal of Shareholders' Mandate is in the best interest of the HLB Group and accordingly, your Board (except for YBhg Tan Sri Quek Leng Chan and Mr Kwek Leng Hai) recommends that you vote in favour of the proposed ordinary resolution relating to the Proposed Renewal of Shareholders' Mandate to be tabled at the Said AGM.

7. RESOLUTION ON THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND AGM

The proposed ordinary resolution on the Proposed Renewal of Shareholders' Mandate will be tabled at the Said AGM to be held at the Auditorium, Ground Floor, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur on Tuesday, 29 October 2019 at 10.00 a.m. or at any adjournment thereof. The said resolution is set out in the 2019 Annual Report of HLB.

The Notice of the Said AGM and the Form of Proxy are enclosed in the 2019 Annual Report of HLB, which is despatched together with this Circular.

If you are unable to attend the Said AGM in person and wish to appoint other person(s) to be your proxy, please complete the Form of Proxy and deposit it at the Registered Office of HLB at Level 30, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur, so as to arrive not less than forty-eight (48) hours before the time appointed for holding of the Said AGM or at any adjournment thereof.

The completion and deposit of the Form of Proxy will not preclude you from attending and voting at the Said AGM in person should you wish to do so. The Form of Proxy should be completed strictly in accordance with the instructions contained therein.

8. FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendix V of this Circular for further information.

Yours faithfully
For and on behalf of the Board

CHOK KWEE BEE
Independent Non-Executive Director

PART B

PROPOSED ADOPTION OF NEW CONSTITUTION

DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout Part B of this Circular:

“Act”	:	Companies Act 2016, as amended from time to time and any re-enactment thereof
“AGM”	:	Annual General Meeting
“Board” or “Directors”	:	Board of Directors of HLB
“Bursa Securities”	:	Bursa Malaysia Securities Berhad
“Constitution”	:	Constitution of HLB
“HLB” or “Bank”	:	Hong Leong Bank Berhad
“HLB Group”	:	HLB and its subsidiaries
“Main Market Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities, as amended from time to time
“Proposed Adoption of New Constitution”	:	Proposed adoption of a new Constitution, as set out in Appendix IV of this Circular, in substitution for and to the exclusion of the existing Constitution of the Bank

Registered Office:
Level 30, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur

30 September 2019

DIRECTORS:

YBhg Tan Sri Quek Leng Chan (Chairman; Non-Executive/Non-Independent)
Mr Tan Kong Khoon (Executive Director/Non-Independent)
Mr Kwek Leng Hai (Non-Executive Director/Non-Independent)
Ms Chok Kwee Bee (Non-Executive Director/Independent)
YBhg Dato' Nicholas John Lough @ Sharif Lough bin Abdullah (Non-Executive Director/Independent)
YBhg Datuk Dr Md Hamzah bin Md Kassim (Non-Executive Director/Independent)
Ms Chong Chye Neo (Non-Executive Director/Independent)
Ms Lau Souk Huan (Non-Executive Director/Independent)

To: The Shareholders of Hong Leong Bank Berhad

Dear Sir/Madam

PROPOSED ADOPTION OF NEW CONSTITUTION

1. INTRODUCTION

On 25 September 2019, HLB announced that the Bank proposes to seek its shareholders' approval for the Proposed Adoption of New Constitution.

The purpose of Part B of this Circular is to provide you with the details of the Proposed Adoption of New Constitution and to seek your approval for the proposed special resolution pertaining to the Proposed Adoption of New Constitution to be tabled at the AGM of the Bank to be held on Tuesday, 29 October 2019 at 10.00 a.m. ("Said AGM").

The Notice of the Said AGM together with the Form of Proxy are set out in the 2019 Annual Report of HLB, which is despatched together with this Circular.

2. DETAILS AND RATIONALE OF THE PROPOSED ADOPTION OF NEW CONSTITUTION

The Board proposes that the Bank adopts a new Constitution in place of the existing Constitution, taking into account the Act which came into force on 31 January 2017 and the amended Main Market Listing Requirements.

The Proposed Adoption of New Constitution is primarily for the purpose of aligning the existing Constitution with the abovementioned amended laws and regulations. The Proposed Adoption of New Constitution is also undertaken to provide clarity to certain provisions therein, where relevant, as well as to render consistency throughout in order to facilitate and further enhance administrative efficiency.

Additionally, the Proposed Adoption of New Constitution will incorporate new provisions of the Act and the Main Market Listing Requirements to permit the use of electronic means for issuance of notice and documents to the shareholders of the Bank.

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

3. EFFECTS OF THE PROPOSED ADOPTION OF NEW CONSTITUTION

The Proposed Adoption of New Constitution will not have any impact on the issued share capital, shareholdings of substantial shareholders, net assets, earnings and gearing of the HLB Group.

4. CONDITION OF THE PROPOSED ADOPTION OF NEW CONSTITUTION

The Proposed Adoption of New Constitution is subject to your approval at the Said AGM.

5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

None of the Directors and major shareholders of HLB and/or persons connected with them, has any interest, direct or indirect, in the Proposed Adoption of New Constitution.

6. DIRECTORS' RECOMMENDATION

Your Board, having taken into consideration all aspects of the Proposed Adoption of New Constitution, is of the opinion that the Proposed Adoption of New Constitution is in the best interest of the Bank and accordingly, recommends that you vote in favour of the proposed special resolution in relation to the Proposed Adoption of New Constitution to be tabled at the Said AGM.

7. RESOLUTION ON THE PROPOSED ADOPTION OF NEW CONSTITUTION AND AGM

The proposed special resolution on the Proposed Adoption of New Constitution will be tabled at the Said AGM to be held at the Auditorium, Ground Floor, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur on Tuesday, 29 October 2019 at 10.00 a.m. or at any adjournment thereof. The said resolution is set out in the 2019 Annual Report of HLB.

The Notice of the Said AGM and the Form of Proxy are enclosed in the 2019 Annual Report of HLB, which is despatched together with this Circular.

If you are unable to attend the Said AGM in person and wish to appoint other person(s) to be your proxy, please complete the Form of Proxy and deposit it at the Registered Office of HLB at Level 30, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur, so as to arrive not less than forty-eight (48) hours before the time appointed for holding of the Said AGM or at any adjournment thereof.

The completion and deposit of the Form of Proxy will not preclude you from attending and voting at the Said AGM in person should you wish to do so. The Form of Proxy should be completed strictly in accordance with the instructions contained therein.

8. FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendix V of this Circular for further information.

Yours faithfully
For and on behalf of the Board

TAN KONG KHOON
Executive Director

DEFINITIONS PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS

- “related party(ies)”
- (a) in relation to a corporation, means a director, major shareholder or person connected with such director or major shareholder;
 - (b) in relation to a business trust, means the trustee-manager, a director or major shareholder of the trustee-manager, a major unit holder of the business trust or person connected with any of the aforesaid persons;
 - (c) in relation to a closed-end fund, means the Managers, a director or major shareholder of the Managers or the closed-end fund, or person connected with any of the aforesaid persons; or
 - (d) in relation to a real estate investment trust (“REIT”), means the management company, the trustee, a director or major shareholder of the management company, major unit holder of the REIT, or person connected with any of the aforesaid persons.

For the purpose of this definition, “director”, “major shareholder” and “major unit holder” have the meanings given in paragraph 10.02 of the Main Market Listing Requirements and “Managers” has the meaning given in paragraph 1.01 of the Main Market Listing Requirements.

- “director”
- has the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon:
- (a) a director of the listed issuer, its subsidiary or holding company;
 - (b) a chief executive of the listed issuer, its subsidiary or holding company;
 - (c) in relation to a special purpose acquisition company (“SPAC”), a member of the SPAC’s management team;
 - (d) in relation to a business trust, a director or chief executive of the trustee-manager, its subsidiary or holding company;
 - (e) in relation to a closed-end fund, in addition to a director or chief executive of the closed-end fund, a director or chief executive of the Managers, its subsidiary or holding company; and
 - (f) in relation to a REIT, a director or chief executive of the management company.

“major shareholder” includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a person who has an interest or interests in one or more voting shares in a corporation and the number or aggregate number of those shares, is:

- (a) 10% or more of the total number of voting shares in the corporation; or
- (b) 5% or more of the total number of voting shares in the corporation where such person is the largest shareholder of the corporation

(For the purpose of this definition, “interest” shall have the meaning of “interest in shares” given in Section 8 of the Act).

“person connected” in relation to any person (referred to as “said Person”) means such person who falls under any one of the following categories:

- (a) a family member of the said Person;
- (b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary;
- (c) a partner of the said Person;
- (d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;
- (e) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act;
- (f) a body corporate in which the said Person, or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
- (g) a body corporate which is a related corporation of the said Person.

PERSONS CONNECTED WITH HLCCM AS AT 10 SEPTEMBER 2019

Company	Interest of HLCCM as at 10 September 2019 (%)	Nature of business
1. HL Management Co Sdn Bhd and its subsidiaries and/or its related corporations	100.00	Provision of management and training services; investment holding; and provision of nominees and custodian services
2. Hong Leong Share Registration Services Sdn Bhd	100.00	Provision of share registration services
3. GuoLine Group Management Co Limited and its subsidiary	100.00	Investment holding and provision of management services
4. GuoLine Intellectual Assets Limited	100.00	Intellectual properties holding company
5. Hong Leong Manufacturing Group Sdn Bhd and its unlisted subsidiaries and associated corporations	100.00	Investment holding; provision of management services; property investment; and provision of logistics related services
6. Hong Leong Financial Group Berhad and its unlisted subsidiaries and associated corporations	77.31	Investment holding; provision of services to its subsidiaries to enhance group value; life and general insurance businesses; and family takaful business
7. Hong Leong Capital Berhad and its subsidiaries and associated corporations	81.33	Investment holding; investment banking, stockbroking business, futures broking and related financial services; nominee and custodian services; and unit trust management, fund management including Islamic fund management and sale of unit trusts
8. GuocoLand (Malaysia) Berhad and its subsidiaries and associated corporations	65.04	Investment holding; property development; property investment; hotel operations; trading in securities; provision of management and property-related services; provision of consultancy and event management services and operation of oil palm estates

Company	Interest of HLCM as at 10 September 2019 (%)	Nature of business
9. Hong Leong Industries Berhad and its subsidiaries and associated corporations	75.17	Investment holding; manufacturing, procuring and assembling of motorcycles, scooters, motorcycle engines and related parts and products; distribution of motorcycles and motorcycle components; provision of maintenance and repair services for motorcycles; distribution, trading and provision of services in marine related products; manufacturing and sale of ceramic tiles; provision of research and development services for motorcycles and ceramic tiles; distribution of building materials; and manufacturing, sale and distribution of fibre cement and concrete roofing products
10. Malaysian Pacific Industries Berhad and its subsidiaries and associated corporations	54.23	Investment holding; and manufacturing, assembling, testing and sale of integrated circuits, semiconductor devices, electronic components and leadframes
11. Hume Industries Berhad and its subsidiaries and associated corporations	70.24	Investment holding; manufacturing and sale of cement and cement related products; and manufacturing, marketing and sale of concrete and concrete related products
12. Southern Steel Berhad and its subsidiaries and associated corporations	67.37	Investment holding; and manufacturing, sale and trading in billets, steel bars, wire rods, wire mesh, pre-stressed concrete strands, bars and wires, steel pipes, steel wires and other related products
13. Guoco Group Limited and its non-Malaysian subsidiaries and associated corporations	71.88	Investment holding and management; principal investment; property development and investment; and hospitality and leisure business as well as banking and insurance
14. Lam Soon (Hong Kong) Limited and its subsidiaries and associated corporations	57.53	Investment holding; importing, processing and trading of flour products; manufacturing, processing and trading of edible oils; processing and trading of home care products; and distributor of Manuka honey and health related products
15. Guardian Security Consultants Sdn Bhd	20.00	Provision of security services
16. BIB Insurance Brokers Sdn Bhd and its subsidiaries	30.00	Investment holding; insurance brokers and consultants; commission agents; and rent-a-captive insurance business

ACTIVITIES OF THE HLB GROUP AS AT LPD

Name of company	Effective % held	Principal Activities
Subsidiaries		
Hong Leong Islamic Bank Berhad	100.00	Islamic banking business and related financial services
Hong Leong Bank Vietnam Limited	100.00	Commercial banking business
Hong Leong Bank (Cambodia) PLC	100.00	Commercial banking business
HLF Credit (Perak) Bhd and its subsidiaries:	100.00	Investment holding
HLB Realty Sdn Bhd	100.00	Property investment
Gensource Sdn Bhd	100.00	Investment holding
HLB Nominees (Tempatan) Sdn Bhd	100.00	Agent and nominee for Malaysian clients
HLB Nominees (Asing) Sdn Bhd	100.00	Agent and nominee for foreign clients
HL Bank Nominees (Singapore) Pte Ltd	100.00	Agent and nominee for clients
HLB Principal Investments (L) Limited and its subsidiary:	100.00	Investment holding
Promino Sdn Bhd	100.00	Holding of pooled motor vehicles for HLB Group's usage
Promilia Berhad	100.00	Holding of motor vehicles for HLB Group's usage
EB Nominees (Tempatan) Sendirian Berhad	100.00	Nominees services
EB Realty Sendirian Berhad	100.00	Property investment
OBB Realty Sdn Bhd	100.00	Property investment
DC Tower Sdn Bhd	100.00	Property management

PROPOSED NEW CONSTITUTION

THE COMPANIES ACT 2016
PUBLIC COMPANY LIMITED BY SHARES
CONSTITUTION
OF
HONG LEONG BANK BERHAD

PART A

NAME OF COMPANY

- I. The name of the Company is HONG LEONG BANK BERHAD.

OFFICE

- II. The registered office of the Company is situated in Malaysia.

POWER OF THE COMPANY

- III. Subject to any Applicable Laws, the Company shall have full capacity to carry or undertake any business or activity, and shall have for these purposes the full rights, powers and privileges as contained in Section 21 of the Act.

MEMBERS' LIABILITY

- IV. The liability of the Members is limited.

PART B

1. The Company, each Director and each Member of the Company shall have the rights, powers, duties and obligations as set out in the Act, except to the extent that such rights, powers, duties and obligations are permitted to be modified in accordance with the Act and are so modified by this Constitution.

INTERPRETATION

2. In this Constitution, unless there be something in the subject or context inconsistent therewith:-

Interpretation

- (a) "Act" means the Companies Act, 2016 or any statutory modification, amendment or re-enactment thereof for the time being in force.

- (b) “Applicable Laws” means all laws, regulations, rules, orders and/or official directions for the time being in force affecting or concerning the Company, including but not limited to the Act, FSA, IFSA, Securities Commission Act 1993, Capital Markets and Services Act 2007, Central Depositories Act and any guidelines, written notices and circulars issued by the Securities Commission Malaysia and BNM, Listing Requirements, Rules and any other directives or requirements imposed on the Company by any regulatory authority or body.
- (c) “BNM” means Bank Negara Malaysia.
- (d) “Board” means the Board of Directors for the time being of the Company.
- (e) “Central Depositories Act” means the Securities Industry (Central Depositories) Act 1991 or any statutory modification, amendment or re-enactment thereof for the time being in force and any reference to any provision of the Central Depositories Act is to that provision as so modified, amended or re-enacted.
- (f) “Company” means HONG LEONG BANK BERHAD.
- (g) “Constitution” means this Constitution or as altered from time to time.
- (h) “Deposited Security” means a security standing to the credit of a Securities Account and includes a security in a Securities Account that is in suspense subject to the Central Depositories Act and the Rules.
- (i) “Depositor” means a holder of a Securities Account established by the Depository in which there is a credit balance of securities in the Company.
- (j) “Depository” means Bursa Malaysia Depository Sdn Bhd or its successor or such other name by which it shall be known from time to time.
- (k) “Directors” means members of the Board for the time being of the Company.
- (l) “dividend” includes bonus.
- (m) “Exchange” means Bursa Malaysia Securities Berhad or such other name by which it shall be known from time to time.
- (n) “Exempt Authorised Nominee” means an authorised nominee as defined under the Central Depositories Act, which is exempted from compliance with the provisions of subsection 25A(1) of the Central Depositories Act.
- (o) “FSA” means the Financial Services Act 2013 and any amendments or statutory modifications or replacements thereof for the time being in force and “the IFSA” means the Islamic Financial Services Act 2013 and any amendments or statutory modifications or replacements thereof for the time being in force.

- (p) “in writing” or “written” means and includes words printed, lithographed, represented or reproduced in any mode, form or manner, whether in hard copy or in electronic form sent by way of an electronic communication or otherwise in a form that allows the document and/or information to be easily accessible and reproduced into written, electronic or visible form.
- (q) “Listing Requirements” means the Main Market Listing Requirements issued by the Exchange as may from time to time be amended.
- (r) “market day” means a day on which the Exchange is open for trading in securities.
- (s) “Member” or “shareholder” or “holder of shares” or any like expression means any person(s) for the time being holding shares in the Company and whose name(s) appear(s) in the Register (except Bursa Malaysia Depository Nominees Sdn Bhd) including depositors who shall be treated as if they were Members pursuant to Section 35 of the Central Depositories Act (or any amendments thereof) but excludes the Depository in its capacity as bare trustee.
- (t) “Office” means the registered office for the time being of the Company.
- (u) “ordinary resolution” has the meaning assigned to it in the Act.
- (v) “Record of Depositors” means a record provided by the Depository to the Company under the Rules.
- (w) “Register” means the register of Members to be kept pursuant to the Act or the Record of Depositors.
- (x) “Registrar” means such person, firm or company which for the time being maintains in Malaysia the Register.
- (y) “Ringgit” means Ringgit Malaysia the currency of Malaysia.
- (z) “Rules” shall have the meaning given in Section 2 of the Central Depositories Act, or any statutory modification, amendment or re-enactment thereof for the time being in force.
- (aa) “Secretary” means any person or persons appointed to perform the duties of a secretary of the Company and shall include a joint secretary and alternate secretary.
- (ab) “Seal” means the common seal of the Company.
- (ac) “securities” shall have the meaning assigned to it in Section 2 of the Capital Markets and Services Act 2007 or any statutory modification, amendment or re-enactment thereof for the time being in force.
- (ad) “Securities Account” means an account established by the Depository for a Depositor for the recording of deposit or withdrawal of securities and for dealings in such securities by the Depositor.
- (ae) “shares” means shares in the Company.
- (af) “special resolution” has the meaning assigned to it in the Act.

Any words or expressions in the Act or in Central Depositories Act having a special meaning assigned to them in the Act have the same meaning in this Constitution.

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

Words importing the masculine gender only, include the feminine gender.

Words denoting persons include body of persons, corporate or unincorporate.

“month” means calendar month.

“year” means calendar year.

“Territory” means Malaysia.

CONVERSION OF SHARES INTO STOCKS

3. (a) The Company may by ordinary resolution convert any paid-up shares into stock and may convert any stock into paid-up shares of any number. When any shares have been converted into stock, the several holders of such stock may, thenceforth, transfer their respective interests therein or any part of such interests, in the same manner and subject to the same regulations as and subject to which fully paid-up shares in the Company’s capital may be transferred, or as near thereto as circumstances will admit. But the Directors may from time to time, if they think fit, fix the minimum amount of stock transferable, and direct that fractions of a Ringgit shall not be dealt with, but with power, nevertheless, at their discretion to waive such rules in any particular case.
- (b) The stock shall, according to the amount of the stock held by the holders, confer on the holders thereof respectively the same rights, privileges and advantages with regards to dividends, voting at meetings of the Company, and for other purposes, as if the holders held the shares from which the stock arose, but so that none of such privileges or advantages, except the participation in the dividends and profits of the Company, and in the assets of the Company on a winding up, shall be conferred by any such part of stock which would not, if existing shares have conferred that privilege or advantage. Save as aforesaid, all the provisions herein contained shall, as far as circumstances will admit, apply to stock as well as to shares.
- Conversion of shares into stock*

SHARES

4. The shares taken by the subscribers to the Constitution shall be duly issued by the Directors. Subject as aforesaid, the shares shall be under the control of the Directors who may, subject to this Constitution, the Act and the Listing Requirements allot and issue the same to such persons on such terms and conditions and at such time as the Directors think fit and with full power to give to any person the call on any shares for such consideration as the Directors think fit.
- Shares under control of Directors*

- | | | |
|----|--|--|
| 5. | If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by instalments every such instalment shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share, or his legal personal representatives. | <i>Share paid by instalments</i> |
| 6. | No person shall exercise any rights of a Member until his name shall have been entered in the Register of Members or the Record of Depositors and shall have paid all calls and other moneys for the time being due and payable on any share held by him whether alone or jointly with any other person PROVIDED THAT the Depository or its nominee company in whose name the Deposited Securities are registered shall not be entitled to any such right. | <i>Exercise of right of Members</i> |
| 7. | No person shall be recognised by the Company as holding any share upon any trust, or assignment and the Company shall not be bound by or required to recognise any equitable, contingent, future, or partial interest in any share or any right whatsoever in respect of any share other than an absolute right to the entirety thereof in the registered holder, except as by this Constitution otherwise expressly provided or as by the Act or pursuant to any order of Court or as provided under the Rules. | <i>No trusts recognised</i> |
| 8. | In addition to all other powers of paying commissions, the Company may exercise the powers conferred by Section 80 of the Act of applying its shares or cash, either directly or indirectly, in paying commissions to persons for the purpose of subscribing or agreeing to subscribe or procuring or agreeing to procure shares of the Company, provided that the rate per cent or the amount of the commission paid or agreed to be paid and the number of shares which a person has agreed for commission to subscribe shall be disclosed in the manner required by the Act and the payment of the commission shall not exceed 10 percent of the price at which the shares in respect whereof the commission is paid are issued or an amount equivalent thereto. The Company (or the Board on behalf of the Company) may also on any issue of the shares pay such brokerage as may be lawful. | <i>Power to pay commission and brokerage</i> |
| 9. | Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a long period, the Company may pay interest or returns on the amount of such share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in Section 130 of the Act, and charge the interest or returns paid to share capital as part of the cost of the construction or provision. | <i>Power to pay interest for share capital</i> |

DISPOSAL OF SHARES OF MEMBER WHOSE WHEREABOUTS UNKNOWN

- | | | |
|-----|--|---------------------------------|
| 10. | If by the exercise of reasonable diligence the Company is unable to discover the whereabouts of a Member for a period of not less than ten years from the date that the Company is first unable to trace such Member the Company may cause an advertisement to be published in a newspaper circulating in the place shown in the Register of Members or Record of Depositors as the address of the Member stating that the Company after the expiration of thirty (30) days from the date of the advertisement intends to transfer the shares to the Minister charged with responsibility for finance. | <i>Untraceable shareholders</i> |
|-----|--|---------------------------------|

11. If after the expiration of thirty (30) days from the date of the advertisement the whereabouts of the Member remains unknown, the Company may transfer the shares held by the Member in the Company to the Minister charged with responsibility for finance and for that purpose may execute for and on behalf of the Member a transfer of those shares to the Minister charged with responsibility for finance.

LOSS OR DESTRUCTION OF CERTIFICATES

12. Subject to the provisions of the Act, the Central Depositories Act and the Rules, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member company of the Exchange or on behalf of its/their client/s as the Directors shall require, and (in case of defacement or wearing out) on delivery of the old certificate and in any case on payment of such sum not exceeding Ringgit Malaysia Fifty (RM50.00) plus the stamp duty, if applicable, payable under the law for the time being in force, per certificate or such other sum as may from time to time be fixed by the Directors with the approval of the Exchange. In the case of destruction, loss or theft a shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss.

*Lost or
destroyed
certificates*

CERTIFICATES/NOTICES OF ALLOTMENTS

13. (1) Every share certificate of the Company upon application shall be issued under the Seal and bear the signatures or the autographic signatures reproduced by facsimile or other mechanical means of one Director and the Secretary, or a second Director or such other person as may be authorised by the Directors, and the Company shall, within sixty days from receipt of an application for a certificate, send a share certificate specifying the shares to which it relates, and the amount paid up thereon, name of the Company, the class of the shares and the number of the relevant shares, provided that the Directors may by resolution determine that such signature, or either of them, shall be dispensed with.
- (2) Subject to the existing laws for the time being in force, all new issues of securities for which listing is sought shall be made by way of crediting the Securities Accounts of the allottees with such securities save and except where it is specifically exempted from compliance with the Central Depositories Act, in which event it shall so similarly be exempted from compliance with this requirement. For this purpose, the Company shall notify the Depository of the names of the allottees and all such particulars required by the Depository to enable the Depository to make the appropriate entries in the Securities Accounts of such allottees.
- (3) Subject to the provisions of the Act, the Central Depositories Act and/or the Rules and/or requirements of the Exchange, the Company shall allot securities and despatch notices of allotment to all allottees within such period and in such manner as may be prescribed by the relevant authorities, law and/or regulations for the time being in force.

*Issue of share
certificates*

CALLS AND LIEN ON SHARES

14. The Directors may, subject to the provisions of this Constitution from time to time and the conditions of allotment of shares, make such calls upon the Members in respect of any money unpaid on their shares as they think fit and each Member shall be liable to pay the amount of every call so made upon him to the Company in such manner and at the time and place appointed by the Directors. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed and such resolution may authorise the call to be paid by instalments. *Calls*
15. Subject to any special conditions on which any shares have been issued, each Member shall be liable to pay any call made on him and any instalment presently payable by him at the time and place appointed by the Directors.
16. If before or on the day appointed for payment thereof a call or instalment payable in respect of a share is not paid the holder or allottee of the share shall pay interest on the amount of the call at such rate not exceeding eight per centum (8%) per annum from the day appointed for payment thereof to the time of actual payment as the Directors may determine but the Directors may waive payment of such interest wholly or in part. *Interest on unpaid calls*
17. Any sum which, by the terms of issue of a share is made payable upon allotment or at any fixed date, shall for all purposes of this Constitution, be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment the provisions of this Constitution as to payment of interest and expenses, forfeiture and the like, and all other relevant provisions of this Constitution shall apply as if such sum were a call duly made and notified as hereby provided. *Sums payable on allotment or fixed date deemed a call*
18. The Directors may from time to time on the issue of shares differentiate between the holders of such shares as to the amount of calls or instalments to be paid and in the time of payment of such calls or instalments. *Difference in arrangement as to calls*
19. The Directors may, if they think fit, receive from any Member willing to advance the same, all or any part of the moneys for the time being remaining uncalled and unpaid on his shares, and may pay interest or returns at such rate not exceeding eight per centum (8%) per annum as may be agreed upon between the Directors and Members upon the moneys so paid in advance, or upon so much thereof as from time to time remains in advance of the calls then made upon such shares, unless the Company in a general meeting otherwise directs. Any capital paid on shares in advance of calls shall not whilst carrying interest, confer a right to participate in profits. *Interest on payment in advance of calls*
20. No Member shall be entitled to receive any dividend or to exercise any privileges as a Member until he shall have paid all calls for the time being due and payable on every share held by him whether alone or jointly with any other person together with interest and expenses (if any). *Calls to be fully paid before receiving dividend*
21. Subject to the provisions of the Act, the Central Depositories Act and the Rules, 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. *Paramount lien*

- | | | |
|-----|--|--------------------------------|
| 22. | Subject to the provisions of the Act, the Central Depositories Act and the Rules, the Directors may sell the shares subject to any such lien at such time or times and in such manner as they think fit but no sale shall be made until such time as the moneys in respect of which such lien exists or some part thereof are or is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, and until a demand and notice in writing stating the amount due or specifying the engagement and demanding payment or fulfilment or discharge thereof, and giving notice of intention to sell in default shall have been served on such Member or on the persons (if any) entitled to the shares by reason of his death or bankruptcy or winding up and default in payment, fulfilment or discharge shall have been made by him or them for fourteen (14) days after such notice. | <i>Enforcement of lien</i> |
| 23. | To give effect to any sale, the Directors may authorise some person to transfer such shares to the purchaser who shall be registered as the Member comprised in any such transfer. | <i>Transfer on sale</i> |
| 24. | No purchaser or Director shall be bound or concerned to inquire into the application of the purchase money or the regularity of the sale but the remedy of any one injured by a sale wrongly made in purported exercise of such power of sale shall be in damages against the Company only. | <i>Effect of sale</i> |
| 25. | The proceeds of the sale shall be received by the Company and applied in payment of all moneys including accrued interest, charged on the shares by virtue of such lien and presently payable and subject to such payment the balance shall (subject to a similar lien for sums not presently payable as existed on the shares prior to the sale) be paid to the person who was entitled to such shares immediately prior to the date of such sale, or his executors, administrators or assignees or as he may direct. | <i>Application of proceeds</i> |

INFORMATION ON SHAREHOLDING

26. (1) The Company may by notice in writing, require any Member, within such reasonable time as is specified in the notice:-
- (a) to inform the Company whether he holds any voting shares in the Company as beneficial owner or as trustee; and
 - (b) if he holds them as trustee, to indicate so far as it is possible to do so, the persons for whom he holds them by name and by other particulars sufficient to enable those persons to be identified and the nature of their interest.
- (2) Where the Company is informed in pursuance of a notice given to any person under sub-section (1) hereof or under this sub-section, that any other person has an interest in any of the voting shares in the Company, the Company may by notice in writing require that other person within such reasonable time as is specified in the notice:-
- (a) to inform the Company whether he holds that interest as beneficial owner or as trustee; and
 - (b) if he holds it as trustee, to indicate so far as it is possible to do so, the person for whom he holds it by name and by other particulars sufficient to enable them to be identified and the nature of their interest.

- (3) The Company may by notice in writing require a Member to inform it, within such reasonable time as is specified in the notice, whether any of the voting rights carried by any voting shares in the Company held by him, are the subject of any agreement or arrangement under which another person is entitled to control his exercise of those rights and, if so, to give particulars of the agreement and the parties to it.

TRANSFERS AND TRANSMISSION OF SHARES

27. (a) Subject to the Act, the Central Depositories Act and/or the Rules, the transfer of any listed securities or class of listed securities of the Company shall be made 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 subsection 148(2) of the Act and any exemption that may be made from compliance with subsection 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the listed securities. *Transfer of shares*
- (b) The instrument of transfer of any share of the Company shall be executed by or on behalf of the transferor, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered into the Register and/or the Record of Depositors, as the case may be, in respect thereof.
28. The Depository may, in its absolute discretion, refuse to register any transfer that does not comply with the Central Depositories Act and/or the Rules. *Refusal to register transfer*
29. The Directors may, in their absolute discretion, decline to register the transfer of any shares that are not Deposited Securities where the registration of the transfer is prohibited by law, or if the transfer is in respect of a share that is not a fully paid share or if the Company has a lien over the shares. *Directors may refuse to register*
30. Subject to the Rules, no shares shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.
31. The registration of transfer may be suspended at such time and for such period as the Directors may from time to time determine, PROVIDED ALWAYS that such registration shall not be suspended for more than thirty (30) days in any year or such other period as may be prescribed by the Exchange. At least ten (10) market days' notice prior to such closure or such other period of notice as may be fixed by the Directors with the approval of the Exchange, shall be given to the Exchange and advertised in a daily newspaper circulating in Malaysia stating the period and the purpose of such closure. At least three (3) market days prior notice shall be given to the Depository to enable the Depository to prepare the appropriate Record of Depositors. Provided that where the Record of Depositors is required in respect of corporate actions, at least seven (7) market days prior notice shall be given to the Depository. *Registers may be closed*
32. The executors or administrators of a deceased shareholder not being one of several joint holders shall be the only persons recognised by the Company and the Depository as having any title to the share. In the case of a share registered in the names of two or more holders the survivors shall be the only persons recognised by the Company as having any title to the share, but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him with other persons. *Transmission on death Member*

33. Any person becoming entitled to a share in consequence of the death or bankruptcy or insolvency or winding up of a Member may upon such evidence being produced as may from time to time be required by the Directors and/or the Depository be registered as a Member in respect of the share or instead of being registered himself to make such transfer of the share as the deceased or bankrupt or insolvent person could have made but the Directors and/or the Depository shall in either case have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that Member before his death or bankruptcy or insolvency. Before recognising any executor or administrator the Directors and/or the Depository may require him to take out probate of the will or letters of administration as sufficient evidence. PROVIDED ALWAYS THAT where the share is a Deposited Security, subject to the Rules, a transfer or withdrawal of the share may be carried out by the person becoming so entitled.

Production of evidence of title before registration

34. Where the registered holder of any share dies or becomes bankrupt or wound up, his personal representative or the assignee of his estate, as the case may be, shall, upon the production of evidence as may from time to time be required by the Directors in that behalf, be entitled to the same dividends and other advantages and to the same rights (whether in relation to meetings of the Company or to voting or otherwise) as the registered holder would have been entitled to if he had not died or become bankrupt or wound up.

Person entitled by transmission may receive dividend

TRANSMISSION OF SECURITIES FROM FOREIGN REGISTER

35. In the event that:-
- (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) (No. 2) Act, 1998 or any statutory modification, amendment or re-enactment thereof for the time being in force, as the case may be, under the Rules in respect of such securities,

Transmission of securities from Foreign Register

the Company shall, upon the 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 in Malaysia and vice versa PROVIDED THAT there shall be no change in ownership of such securities.

FORFEITURE OF SHARES

36. If any Member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for the payment thereof the Directors may at any time thereafter, during such time as the call or instalment or any part thereof remains unpaid, serve a notice on him or on the person entitled to the share by transmission requiring him to pay such call or instalment, or such part thereof as shall then be unpaid together with interest or compensation thereon not exceeding eight per centum (8%) per annum from the day appointed for the payment of the sum to the time of actual payment as the Directors may determine and any expenses that may have accrued by reason of such non-payment.

Notice to be given of intended forfeiture

- | | | |
|-----|--|--|
| 37. | The notice shall name a further day (not earlier than the expiration of fourteen (14) days from the date of the notice) on or before which such call or instalment, or such part as aforesaid, and all interest and expenses that have accrued by reason of such non-payment are to be paid. It shall also name the place where payment is to be made and shall state that in the event of non-payment at or before the time and at the place appointed, the share in respect of which such call was made or instalments payable will be liable to be forfeited. | <i>Particulars to be set out in notice</i> |
| 38. | If the requirements of any such notice aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the Directors to that effect. A forfeiture of shares shall include all dividends in respect of the forfeited shares and not actually paid before the forfeiture notwithstanding that they shall have been declared. | <i>Forfeiture on non-compliance to be by resolution of Directors</i> |
| 39. | When 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 transmission and an entry of such notice having been given, and of the forfeiture with the date thereof shall forthwith be made in the Register of Members opposite to the share. | <i>Notice of forfeiture to be given and entered in Register of Members</i> |
| 40. | Every share which shall be forfeited shall thereupon become the property of the Company and may be either cancelled or sold or re-allotted or otherwise disposed of, either to the person who was before such forfeiture the holder thereof or entitled thereto or to any person, upon such terms and in such manner as the Directors shall think fit. If any shares are forfeited and sold, any residue after the satisfaction of the unpaid calls, accrued interest and expenses shall be paid to the person whose shares have been forfeited or his executors, administrators or assignees or as he directs. | <i>Shares forfeited belong to the Company</i> |
| 41. | Notwithstanding any such forfeiture as aforesaid the Directors may at any time before the forfeited share has been otherwise disposed of, annul the forfeiture upon payment of all calls and interest due upon and expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit. | <i>Amendment of forfeiture</i> |
| 42. | A shareholder whose shares have been forfeited shall, notwithstanding such forfeiture remain liable to pay the Company all calls made and not paid on such shares which at the date of forfeiture was payable by him to the Company in respect of the shares together with interest or compensation at the rate of eight per centum (8%) per annum from the date of forfeiture for the time being unpaid if the Directors think fit to enforce payment of the interest or compensation, and to satisfy all (if any) the claims and demands which the Company might have enforced in respect of the shares at the date of forfeiture. | <i>Calls and expenses recoverable after forfeiture</i> |
| 43. | The forfeiture of a share shall involve the extinction at the date of the forfeiture of all interest or compensation in and all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the shareholder whose share is forfeited and the Company except only such of those rights and liabilities as are by this Constitution expressly saved or as are by the Act given or imposed in the case of past Members. | <i>Consequences of forfeiture</i> |

44. A statutory declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited or surrendered or sold to satisfy a lien on a date stated in the declaration shall, as against all persons claiming to be entitled to the share, be conclusive evidence of the facts therein stated and such declaration, together with the receipt of the Company for the consideration (if any) given for the share on the sale or disposition thereof shall constitute a good title to such share on a proper transfer being delivered to the Company, and the shares shall be credited to the purchasers' Securities Account and his name shall be entered in the register and thereupon he shall be deemed the holder of such share discharged from all calls or instalments or other sums due prior to such purchase and he shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any act, omission or irregularity relating to or connected with the proceedings in reference to the forfeiture, sale, or disposal of the share. The Directors may authorise any person to execute a transfer of any shares so sold to the purchaser.
- Statutory declaration in writing to be conclusive evidence of facts of forfeiture and consequences*

CAPITAL

45. Subject to the conditions, restrictions and limitations expressed in this Constitution and the Listing Requirements and to any special rights attached to any shares for the time being issued, and save and except otherwise provided under the Act, the Directors may with the approval of the Company in general meeting allot shares, grant right to subscribe for shares in the Company, or grant options over or otherwise dispose of the unissued shares of the Company to such persons, at such time and on such terms as they think proper, PROVIDED ALWAYS THAT:-
- Issue of shares*

- (a) no shares shall be issued which shall have the effect of transferring a controlling interest in the Company without the prior approval of the Company in general meeting;
- (b) in the case of shares other than ordinary shares, no special rights shall be attached until the same have been expressed in this Constitution;
- (c) no Director shall participate in a share scheme for employees unless the shareholders in general meeting have approved of the specific allotment to be made to such Director.

46. Without prejudice to any special rights previously conferred on the holders of any share or class of shares already issued, but subject to the Act and this Constitution any shares in the Company (whether forming part of the original capital or not) may be issued or have attached thereto such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by special resolution determine. Subject to the Act, any preference shares may be issued on the terms that they are, at maturity or at the option of the Company, liable to be redeemed.
- Power to issue preference shares*

ALTERATION, REDUCTION AND INCREASE OF CAPITAL

47. Subject to the Act, the Company may from time to time alter its share capital in any one or more of the following ways by passing an ordinary resolution to:-
- (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 share from which the subdivided share is derived;
- Consolidation, sub-division and cancellation of shares*

- (b) Convert all or any of its paid-up shares into stock and may reconvert that stock into paid-up shares; or
- (c) Sub-divide its shares or any of them, whatever is in the subdivision, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived.
48. The Company may from time to time by special resolution reduce its share capital in any manner authorised by the Act and subject to any consent required by law. *Reduction of share capital*
49. The Company may from time to time by ordinary resolution passed at a general meeting of the Company whether all the shares for the time being issued shall have been fully called up or not, increase its capital by the issuance of new shares, such aggregate increase to be of such amount and to be divided into shares of such respective amounts as the Company in general meeting may direct. *Company may increase its capital*
50. Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible securities, shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. Such 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 such time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they consider beneficial to the Company. *New shares to be offered to Members in proportion to their holdings*
- The Directors may likewise also dispose of any new share or security which (by reason of the ratio which the new shares or securities bear to shares or securities held by persons entitled to an offer of new shares or securities or by reason of any other difficulty in apportioning the same) cannot, in the opinion of the Directors, be conveniently offered in manner herein before provided.
- Subject to the provisions of this Constitution, the Directors may recognise a renunciation of any share by the allottee thereof in favour of some other person.
51. Notwithstanding the preceding Clauses, the Company may apply to the Exchange to waive the convening of an extraordinary general meeting to obtain Members approval for further issues of shares (other than bonus or rights issues) where in accordance with the provisions of Sections 75 and 76 of the Act, there is still in effect, a resolution approving the issuance of shares by the Company and the aggregate issues of which during the preceding twelve (12) months do not exceed ten per centum (10%) of the total number of issued shares (excluding any treasury shares). *Waiver from Exchange for convening extraordinary general meeting for new issue of shares*
52. 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 ordinary share capital of the Company and shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as if it had been part of such capital. *New shares subject to same provisions as original shares*

ALTERATION OF RIGHTS

53. If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of shares of that class) may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of not less than three-fourths ($\frac{3}{4}$) of the total voting rights of the shareholders in that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of this Constitution relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be Members or any Member holding or representing by proxy one-tenth ($\frac{1}{10}$) of the total voting rights in that class and that any holder of shares of that class present in person or by proxy may, subject to the provisions of the Listing Requirements, demand a poll. To every such special resolution the provisions of Section 292 of the Act shall, with such adaptations as are necessary, apply. PROVIDED ALWAYS THAT where the necessary majority for such a special resolution is not obtained at the meeting, consent in writing if obtained from three-fourths of the holders of shares of the class concerned within two (2) months of the meeting shall be as valid and effectual as a special resolution carried at the meeting.
- Alteration of rights*

SHARE BUY BACK

54. Subject to the provisions of the Act, the Listing Requirements, and/or requirements of BNM or any other relevant authority, the Directors may in their absolute discretion from time to time utilise the fund of the Company to buy shares or stocks in itself. Any shares or stocks in the Company so purchased by the Company shall be dealt with as provided by the Act and the requirements of the Exchange and/or any other relevant authority.
- Share buy back*

GENERAL MEETING

55. The Directors shall convene an Annual General Meeting to be held once at least in every calendar year at such time, within six (6) months of the Company's financial year end and not being more than fifteen (15) months after the holding of the last preceding Annual General Meeting, but so long as the Company hold its first Annual General Meeting within eighteen (18) months of its incorporation, it need not hold one in the year of its incorporation, or in the following year, and at such place as may be determined by the Directors.
- Annual General Meeting*
56. Every general meeting of the Company other than the "Annual General Meeting" shall be called "Extraordinary General Meeting".
- Extraordinary General Meetings*
57. The Directors may whenever they think fit convene an Extraordinary General Meeting and Extraordinary General Meetings shall also be convened on any requisition made in accordance with the provisions of the Act, or if the Company makes default in convening a meeting in compliance with a requisition made in accordance with the Act, a meeting may be convened by such requisitionists in the manner provided in the Act. Any meeting convened by the requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by Directors.

58. Subject to the provision of the Act relating to acts for shorter notice, at least fourteen (14) days' notice before the meeting or at least twenty-one (21) days before the meeting where any special resolution is to be proposed or where it is an Annual General Meeting shall be given to all Members (other than those who under the provisions of this Constitution or the terms of issue of the shares held by them are not entitled to receive notices of general meetings of the Company). The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given. At least fourteen (14) days' notice or twenty-one (21) days' notice in the case where any special resolution is proposed or where it is the annual general meeting, of every such meeting shall also be given by advertisement in at least one (1) nationally circulated Bahasa Malaysia or English daily newspaper and in writing to the Exchange upon which the Company is listed.

Notice of meeting

PROVIDED THAT where shares in the Company are Deposited Securities, the Company shall request for two Record of Depositors from the Depository in the following manner:-

- (a) the first Record of Depositors for the purposes of issuing notice of the proposed general meeting as required under the Act;
 - (b) a second Record of Depositors which shall be the final record of all Depositors who are shareholders as at books closing date who shall be eligible to attend such meeting in accordance with this Constitution. The books closing date shall for this purpose be the latest date which is reasonably practicable which shall in any event be not less than three (3) market days before the date for the holding of the general meeting (hereinafter referred to as the "General Meeting Record of Depositors"). The General Meeting Record of Depositors shall be the final record of all the Depositors who shall be deemed to be the registered holders of ordinary shares of the Company eligible to be present and vote at such meetings.
59. Subject to the Securities Industry (Central Depositories) (Foreign Ownership) Regulations, 1996 (where applicable) and notwithstanding any provision in the Act, a Depositor shall not be regarded as a Member entitled to attend any general meeting and to speak and vote thereat unless his name appears in the General Meeting Record of Depositors.
60. Notice of a meeting of Members of the Company shall state the place, date and time of the meeting, the general nature of the business of the meeting, and may include text of any proposed resolution and other information as the Directors deem fit. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business.

Contents of notice

All business shall be deemed special that is transacted at an Extraordinary General Meeting and also all that is transacted at an Annual General Meeting, except the following which shall be ordinary business :

- (1) the laying of the audited financial statements and the reports of the Directors and auditors and other accounts and documents required to be annexed to the financial statements;
- (2) the appointment and re-election of Directors in place of those retiring by rotation or otherwise and fixing the Directors' fees and benefits payable; and

- (3) the appointment or re-appointment and fixing of the remuneration of the auditors.
61. A meeting shall, notwithstanding that it is called by notice shorter than is required by Clause 58 be deemed to be duly called if it is so agreed:- *Short notice*
- (a) in the case of a meeting called as the Annual General Meeting, by all the Members entitled to attend and vote thereat; or
- (b) in the case of any other meeting, by a majority in number of the Members having a right to attend and vote thereat, being a majority which together holds not less than ninety-five per centum (95%) in the number of the shares giving a right to attend and vote at the meeting, excluding any shares in the Company held as treasury shares.
62. Where by the Act special notice is required of a resolution, the resolution shall not be effective unless notice of the intention to move it has been given to the Company not less than twenty-eight (28) days before the meeting at which it is moved, and the Company shall give its Members notice of any such resolution at the same time and in the same manner as it gives notice of the meeting or if that is not practicable shall give them notice of any such resolution not less than fourteen (14) days before the meeting, by advertisement in at least one (1) nationally circulated Bahasa Malaysia or English daily newspaper or by publication on the Company's website (provided that in the case of publication on the Company's website, the Company shall notify its Members in writing in respect thereof) and in writing to the Exchange upon which the Company is listed, but if after notice of the intention to move such a resolution has been given to the Company, a meeting is called on a date twenty-eight (28) days or less after the notice has been given, the notice, although not given to the Company within the time required by this Clause, shall be deemed to be properly given. *Resolution requiring special notice*
63. In every notice calling a meeting of the Company, there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint not more than two (2) proxies to attend and vote instead of him, provided that the Member specifies the proportion of the Member's shareholdings to be represented by each proxy, except where the Member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one Securities Account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds. In the case of a Member who is an authorised nominee as defined under the Central Depositories Act, it may appoint at least one (1) but not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. *Right to appoint proxy*
64. The accidental omission to give notice of a meeting to or the non-receipt of notice of a meeting by any Member shall not invalidate any resolution passed or proceedings held at any such meetings. *Omission to give notice*

PROCEEDINGS AT GENERAL MEETINGS

65. All business transacted at a general meeting shall be deemed special business save for the ordinary business as set out in Clause 60. *Special Business*

66. No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Two Members personally present shall form a quorum. For the purpose of this Clause "Member" includes a person attending by proxy or in the case of corporations which are Members, present by their representatives appointed pursuant to the provisions of this Constitution and entitled to vote. *Quorum*
67. If within half an hour from the time appointed for the holding of a general meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved. In any other case it shall be adjourned 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 next business day following such public holiday) or to such other day, time and place as the Directors may by notice to the Members appoint. If at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the adjourned meeting, any Member present shall be a quorum. *Proceedings if quorum not present*
68. The Chairman of the Board shall preside as Chairman at every general meeting but if at any meeting the Chairman shall not be present within fifteen minutes after the time appointed for holding the same or shall be unwilling to act as Chairman, the Directors present shall choose one Director to act as Chairman of such meeting or if no Director be present or if all the Directors decline to take the chair, the Members present shall choose some Member present to act as Chairman at such meeting. The election of Chairman shall be by a show of hands. *Chairman of General Meeting*
69. The Chairman may with the consent of any Meeting at which a quorum is present and shall, if so directed by the Meeting, adjourn any meeting from time to time and from place to place as the Meeting shall determine. Whenever a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given in the same manner as in the case of an original meeting. Save as aforesaid, no Member shall be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place. *Chairman may adjourn meeting and notice of adjournment be given*
70. (1) Subject to the Listing Requirements, any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting shall be voted by show of hands. Notwithstanding the above, poll may be demanded in writing:- *Resolution how carried*
- (i) by the Chairman of the meeting; or
 - (ii) by at least three (3) Members present in person or by proxy; or
 - (iii) by any Member or Members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting; or
 - (iv) by a Member or Members holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.
- A proxy shall be entitled to vote on a show of hands on any question at any general meeting.

- (2) Unless a poll is so demanded (and the demand not withdrawn) or required, a declaration by the Chairman that a resolution has on a show of hands been passed unanimously, or with a particular majority, or is lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

The demand for a poll may be withdrawn any time before the resolution is put to the vote of the meeting by the Member demanding the poll.

Where a resolution is passed at an adjourned meeting of the Company or of holders of any class of shares, the resolution shall for all purposes be treated as having been passed on the date on which it was in fact passed and not on any earlier date.

- | | | |
|-----|---|--|
| 71. | If a poll is duly demanded in manner aforesaid it shall be taken either forthwith or after an interval or adjournment at such time and place and in such manner as the Chairman shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded, but a poll demanded on the election of the Chairman or on a question of adjournment shall be taken forthwith. | <i>Poll</i> |
| 72. | No poll shall be demanded on the election of a Chairman of a meeting or on any question of adjournment. | <i>No poll on election of Chairman or adjournment</i> |
| 73. | In the case of an equality of votes whether on a show of hands or at a poll at any general meeting of the Company the Chairman of the meeting shall be entitled to a second or casting vote except when only two (2) Members form a quorum at a meeting or where only two (2) Members are competent to vote on the question at issue in which event the Chairman of the meeting shall not have a second or casting vote and the question arising at the meeting shall be deemed to have been lost or not carried. | <i>Chairman has casting vote</i> |
| 74. | The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded. | <i>Other business to be continued if poll demanded</i> |
| 75. | The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to demand, or join in demanding a poll, and, for the purposes of Clause 70, a demand by a person as proxy for a Member shall be the same as a demand by the Member. | <i>Proxy may demand poll</i> |
| 76. | If any votes shall have been counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same meeting or at any adjournment thereof and unless in the opinion of the Chairman at the meeting or any adjournment thereof as the case may be, it shall be of sufficient importance to vitiate the result of the voting. | <i>Votes counted in error</i> |
| 77. | Subject to the Act, a resolution in writing signed by the requisite majority of the Members entitled to vote on a written resolution, as provided in the Act, shall be valid and effective as if the same had been passed at a meeting of the Company duly convened and held, and may consist of several documents in the like form each signed by one or more Members. In the case of a corporation which is a Member of the Company, such resolution may be | <i>Resolution signed by members</i> |

signed on its behalf by its Managing Director or by any person (whether identified by name or by reference to the holding of any particular office) duly authorised by such corporate body by resolution of its directors or other governing body or by Power of Attorney to sign resolution on its behalf.

Any such document may be accepted as sufficiently signed by a Member if transmitted to the Company by any technology purporting to include a signature of the Member.

VOTES OF MEMBERS

78. (1) Subject to any rights or restrictions for the time being attached to any class or classes of shares and Clauses 58 and 59 above, at meetings of Members or classes of Members, each Member shall be entitled to be present and to vote at any general meeting of the Company either personally or by proxy or if the Member is a corporation by its duly authorised representative, and to be reckoned in a quorum in respect of any share or shares upon which all calls due to the Company have been paid. *Rights to vote*
- (2) Subject to any special rights or restrictions as to voting attached to any class or classes of shares by or in accordance with this Constitution, on a show of hands every person present who is a Member or a Member's representative or proxy shall have one vote and in the case of a vote on a resolution on a poll every Member present in person or by proxy or other duly authorised representative shall have one (1) vote for every share held by him. A person entitled to more than one (1) vote need not use all his votes or cast all the votes he uses on a poll in the same way. In this Constitution, the shares held or represented by a Member present in person or by proxy shall, in relation to shares of a Depositor, be the number of shares entered against his name in the Record of Depositors referred to in Clause 58.
79. (1) If any Member be an infant or a lunatic, or of unsound mind, he may vote by his guardian, committee, receiver, curator bonis or other legal curator, and such last mentioned persons may give their votes either personally or by proxy. Provided such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the office not less than forty-eight (48) hours before the time appointed for holding of the meeting. *Votes of infant Members, etc*
- (2) The legal personal representative of a deceased Member or other person entitled under the transmission Clauses to any share in consequence of the death or bankruptcy of any Member may vote at any general meeting in respect thereof in the same manner as if he was the registered holder of such shares provided that forty-eight (48) hours at least before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote he shall satisfy the Directors of his right to any share in consequence of the death or bankruptcy of any Member unless the Directors shall have previously admitted his right to vote in respect thereof. Where there are several executors or administrators of a deceased Member in whose names any shares are registered any one of such administrator or executor may vote in respect of such shares unless any other administrator or executor is present at the Meeting at which such a vote is tendered and objects to the same.

80. Any corporation which is a Member may by resolution of its directors or other governing body authorise such person or persons as it thinks fit to act as its representative(s) either at a particular meeting of the Company, or at all meetings of the Company or any class of Members and the person(s) so authorised shall in accordance with his authority and until his authority is revoked by the corporation be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member. *Votes of corporations*
81. Save as herein expressly provided, no person other than a Member duly registered and who shall have paid everything for the time being due from him and payable to the Company in respect of his shares shall be entitled to be present or to vote on any question either personally or by proxy or as proxy for another Member or to be reckoned in a quorum at any general meeting. *Members only entitled to vote*
82. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such Meeting shall be valid for all purposes. Any such objection shall be referred to the Chairman at the meeting, whose decision shall be final and conclusive. *Objections*
83. On a poll votes may be given either personally or by proxy or duly authorised representative and a Member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way. A proxy or a duly authorised representative need not be a Member of the Company. *Votes on poll*
84. (1) The instrument appointing a proxy shall be in writing under the hand of the appointor or if such appointor be a corporation, under its common seal or under the hand of an officer or attorney of the corporation duly authorised and shall be deposited with the power of attorney or other authority (if any) at the Office or at such other place within Malaysia as is specified for that purpose in the notice convening the meeting, not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in such proxy proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the proxy shall not be treated as valid. An instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand a poll on behalf of the appointor. *Instrument appointing proxy to be in writing*
- (2) A Member may by electronic communication appoint a proxy to vote for him at any meeting of the Company provided that:-
- (a) such electronic communication shall have been received at the office of the Company not less than forty-eight (48) hours before the time appointed for holding of the meeting or adjourned meeting, as the case may be, at which the person named in such electronic communication, proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll where the poll is taken at a later time/date as decided by the Chairman of the meeting; and
- (b) the Directors are satisfied as to the genuineness of such electronic communication.
85. (1) (a) A proxy may but need not be a Member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same right as the Member to speak at the meeting. *Who may be proxy*

- (b) A Member shall not be entitled to appoint more than two (2) proxies to attend and vote at the same meeting except where the Member is an Exempt Authorised Nominee which holds an 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.
 - (c) Where a Member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy in the instrument appointing the proxies.
- (2) The instrument appointing a proxy to vote at a meeting of the Company shall be deemed to confer authority to demand or join in demanding a poll, and for the purposes of Clause 70 a demand by a person as proxy for a Member shall be deemed to be the same as a demand by the Member.
- (3) Where a proxy is appointed by a Member who is a Depositor, the Company shall be entitled and bound:
- (a) to reject any instrument of proxy lodged if the Depositor is not shown to have any shares entered against his name in the Record of Depositors; and
 - (b) to accept as the maximum number of votes which is aggregate the proxy or proxies appointed by the Depositor are able to cast on a poll, a number which is the number of shares entered against the name of that Depositor in the Record of Depositors whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.
- (4) Where a Member of a Company is an authorised nominee as defined under the Central Depositories Act, it may appoint at least one but not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
86. The instrument appointing a proxy shall be in such form as the Directors may from time to time prescribe or approve. *Form of proxy*
87. A person entitled to vote on a poll at a meeting shall be deemed to be a person entitled to vote for the purpose of the Act.
88. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death, bankruptcy or unsoundness of mind of the principal or revocation of the instrument of proxy, or the transfer of the share in respect of which the instrument of proxy is given provided that including the transfer of a Deposited Security which is a share in the Company pursuant to the Rules and Records of Depositors as at the relevant date or intimation in writing of such death, bankruptcy, unsoundness of mind, revocation or transfer shall not have been received by the Company at the office before the commencement of the meeting or adjourned meeting (or in the case of a poll, before the time appointed for the taking of the poll) at which the instrument is used. *Intervening death or insanity of principal not to revoke proxy*

DIRECTORS

89. Subject always to the requirements of BNM, the Act and the Listing Requirements, the number of Directors, shall not be less than two (2) or more than twelve (12) or such number as shall be determined by a general meeting. *Appointment and number of Directors*
90. No person shall be eligible to be appointed or elected, re-appointed or re-elected, or to accept any appointment or election, or hold office as a Director who has been disqualified pursuant to the provisions of the Act, the Listing Requirements, FSA or IFSA or any other applicable legislation. *Eligibility*
91. In the event of any casual vacancy occurring and reducing the number of Directors below the aforesaid minimum, the remaining Directors, except in an emergency, may act only for the purpose of increasing the number of Directors to such minimum number, or to summon a general meeting of the Company but not for any other purpose. *Number of Directors*
92. The Directors shall have power at any time and from time to time to appoint any other qualified person as Director, either to fill a casual vacancy or as an addition to the Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or pursuant to Clause 89 but any Director so appointed shall hold office only until the conclusion of the next following Annual General Meeting of the Company, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting. *Appointment by Board of Directors*
93. A Director need not be a Member and shall not be required to hold any share qualification unless and until otherwise determined by the Company in general meeting. All Directors shall be entitled to receive notice of and attend all general meetings of the Company. *Share Qualification of Directors*
94. (1) Subject to the provisions of the Act, the Listing Requirements and the FSA or the IFSA or any applicable legislation, any Director may, from time to time appoint any person to act as his alternate provided that (a) such person is not a Director of the Company, (b) such person does not act as an alternate for more than one Director of the Company and (c) the appointment is approved by a majority of the other members of the Board. The appointee, while he holds office as an Alternate Director, shall be entitled to notice of meetings of the Directors and to attend, speak and vote at any meetings at which his appointor is not present and generally to perform all functions of his appointor as a Director in his absence. The Alternate Director shall not be entitled to be remunerated otherwise than out of the remuneration of the Director appointing him. Any appointment so made may be revoked at any time by the appointor and any appointment or revocation under this Clause shall be effected by notice in writing to be delivered to the Secretary of the Company. *Alternate Director*
- (2) An Alternate Director shall ipso facto cease to be an Alternate Director if his appointor ceases for any reason to be a Director otherwise than by retiring and being re-elected at the same meeting.
95. The fees of the Directors, and any benefits payable to the Directors in their capacity as directors of the Company and its subsidiaries including any compensation for loss of employment of a Director or former Director shall be subject to annual shareholders' approval in general meeting. Such fees shall be divided amongst the Directors in such proportions and manner as they may agree. Such fees shall so far as a Director who is not an Executive *Directors' Fee*

Director is concerned be by way of a fixed sum and not by way of a commission on or percentage of profits or turnover, subject always however to the other provisions of this Constitution. Salaries payable to executive directors may not include a commission on or a percentage of turnover.

96. (1) The Directors shall be entitled to be repaid all travelling or such reasonable expenses as may be incurred in attending and returning from meetings of the Directors or of any Committee of Directors or general meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors. *Expense and extra remuneration*
- (2) Any Director who is appointed as an executive director or to any executive office or serves on any committee or who otherwise performs or renders services, which in the opinion of the majority of the Directors are outside his ordinary duties as a Director, may be paid such extra remuneration as the Directors may determine PROVIDED THAT such remuneration shall not include a commission on or percentage of turnover. Any extra remuneration payable to a non-executive director shall also not include a commission on or percentage of profits or turnover.
- (3) In this Constitution, the expression "executive director" shall include a Director who is engaged substantially in the business of the Company.
97. The Directors shall have power and shall be deemed always to have had power to establish and maintain and to concur with related companies in establishing and maintaining any schemes or funds for providing pensions, sickness or compassionate allowance, life assurances or other benefits for staff (including any Director for the time being holding any executive office or any office of profit in the Company) or employees of the Company or any such related company and for the widows or other dependants of such persons and to make contributions out of the Company's moneys for any such schemes or funds. *Funds*
98. A Director shall at all times exercise his powers in accordance with the Act and the FSA or the IFSA, where applicable, for a proper purpose and in good faith in the best interest of the Company and exercise reasonable care, skill and diligence in the discharge of the duties of his office and shall not, without the consent or ratification of a general meeting, make use of any property of the Company, any information acquired by virtue of his position as a Director or officer of the Company, his position as a Director of the Company, any opportunity of the Company which he became aware of, in the performance of his functions as the Director or officer of the Company or engage in business which is in competition with the Company, to gain directly or indirectly a benefit for himself or for any other person or to cause detriment to the Company. *As to the duty and liability of Directors*
99. Every Director shall give notice to the Company of such events and matters relating to himself as may be necessary or expedient to enable the Company and its officers to comply with the requirements of the Act. *General duty to make disclosure*

100. Every Director shall comply with the provisions of the Act, FSA, IFSA and the Listing Requirements and any other applicable legislation, in connection with the disclosure of his shareholding and interest in any contract or proposed contract, or in any material transaction or material arrangement with the Company and in connection with the disclosure of the fact and the nature, character and extent of any office or possession of any property whereby whether directly or indirectly duties or interests might be created in conflict with his duty or interest as a Director of the Company. *Disclosure of shareholdings and interests*
101. The Company shall keep a register showing with respect to Directors the information and particulars required under the Act. *Register of Directors' Shareholdings*
102. No Director shall be disqualified by his office from holding any office or place of profit (other than the office of Auditors) under the Company or under any company in which the Company shall be a shareholder or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided, nor shall any Director be liable to account to the Company for any profit arising from any such office or place of profit or realised by any such contract or arrangement by reason only of such Director holding that office or of the fiduciary relations thereby established but the nature of his interests must be disclosed by him at the meeting of the Directors at which the contract or arrangement is first taken into consideration if his interest then exists, or in any other case at the first meeting of the Directors after the acquisition of his interests. If a Director becomes interested in a contract or arrangement after it is made or entered into the disclosure of his interest shall be made at the first meeting of the Directors held after he becomes so interested. No Director shall participate or vote on any contract, arrangement or transaction or proposed contract, arrangement or transaction in which he is directly or indirectly interested or any matter arising thereon and if he votes, his vote shall not be counted. Provided that this Clause shall not apply to:-
- (a) any arrangement for giving to him any indemnity in respect of obligations undertaken by him for the benefit of the Company; or
- (b) any contract, arrangement or transaction or proposed contract, arrangement or transaction with any other company in which, he is interested only as a Director and shareholder not more than the number or value as is required to qualify him for the appointment as a Director or having an interest in not more than five per centum (5%) of the paid-up capital in that company.

MANAGING DIRECTORS/EXECUTIVE DIRECTORS

103. The Directors may from time to time appoint any one or more of their body to be the Chief Executive Officer, Managing Director(s) or Executive Director(s) for such period and upon such terms as they think fit and where such appointment is for a fixed term, the term shall not exceed five (5) years, and may vest in such persons such of the powers hereby vested in the Directors generally as they may think fit and subject thereto, shall always be under the control of the Board. *Appointment of Chief Executive Officer, Managing Director/ Executive Directors*
104. The remuneration of an executive director shall from time to time be fixed by the Board and shall not include a commission on or percentage of turnover. *Remuneration of Executive Director*

105. An executive director shall while he continues to hold such office, be subject to retirement by rotation, and he shall be reckoned as a Director for the purpose of determining the rotation or retirement of Directors or in fixing the number of Directors to retire, but he shall, subject to provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors and if he ceases to hold the office of Director from any cause, he shall ipso facto and immediately cease to be an executive director.

*Resignation and
removal
of executive
director*

VACATION OF OFFICE OF DIRECTORS

106. Subject as otherwise provided and to the terms of any subsisting agreement, the office of a Director shall be vacated if the Director:-
- (a) dies;
 - (b) has retired in accordance with the Act or this Constitution and is not re-elected, or ceases to be a Director by virtue of the Act;
 - (c) becomes ineligible to hold office as a Director under Clause 90;
 - (d) becomes disqualified from being a director under Section 198 or 199 of the Act or under the FSA or the IFSA, where applicable;
 - (e) becomes prohibited from being a Director by reason of any order made under the Act or the Listing Requirements or under the FSA or the IFSA, where applicable;
 - (f) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental disorder during his term of office;
 - (g) resigns his office by giving notice in writing to the Company;
 - (h) is removed from his office of Director by resolution of the Company in general meeting of which special notice has been given PROVIDED ALWAYS if he was appointed to represent the interests of any particular class of shareholders or debenture holders the resolution to remove him shall not take effect until his successor has been appointed; or
 - (i) is absent from more than 25% of the total Board meetings held during a financial year save and except in the case where a waiver is granted by the relevant authority to the Director from compliance with this requirement.

*Office of
Directors
how
vacated*

POWER OF DIRECTORS

107. The management of the business of the Company shall be vested in the Directors who (in addition to the powers and authorities by this Constitution or otherwise expressly conferred upon them) may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not hereby or by the Act expressly directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and of this Constitution and to any regulations from time to time made by the Company in general meeting provided that no regulations so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made and in particular and without prejudice to the generality of the foregoing the Directors may at their discretion exercise every borrowing power vested in the Company by its

*General
Power
of Directors
to
manage
Company's
business*

Constitution or permitted by law together with collateral power of hypothecating the assets of the Company including any uncalled or called but unpaid capital, provided that any sale or disposal by the Directors of the Company's main undertaking or property shall be subject to approval or ratification by the Company in general meeting.

108. The Directors may establish any local boards or agencies for managing any affairs of the Company either in the Territory 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 discretions vested in the Directors, with power to subdelegate, and may authorise the Members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit and the Directors may remove any person so appointed, and may annul or vary any such delegation but no person, acting in good faith and without notice of any such annulment or variation shall be affected thereby. *Power to establish local boards etc.*
109. The Directors may from time to time 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 and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under this Constitution) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with such attorney as the Directors may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretion vested in him. *Power to appoint attorney*
110. The Company or the Directors on behalf of the Company in exercise of the powers in that behalf conferred by the Act shall cause to be kept a Branch Register or Registers of Members and the Directors may (subject to the provisions of the Act) make and vary such regulations as they may think fit in respect of the keeping of any such Register. *Power to keep a branch register*
111. All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as required by the Act and as the Directors shall from time to time by resolution determine. *Signature of cheques and bills*

BORROWING POWERS

112. The Directors may exercise all the powers of the Company to borrow or raise money from time to time for the Company or secure the payment of such sums as they think fit and may secure the repayment or payment of such sums by, mortgage or charge upon all or any part of the undertakings, property or assets of the Company (both present and future) including its uncalled capital for the time being, or by the issue of bonds, notes, debentures, debenture stock and other securities as they may think fit. *Directors' borrowing power*

RETIREMENT, ROTATION AND REMOVAL OF DIRECTORS

113. At the first Annual General Meeting, all the Directors shall retire from office at the conclusion of the meeting. An election of Directors shall take place each year. At subsequent Annual General Meetings, all Directors shall retire from office once at least in each three (3) years and shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires whether the meeting is adjourned or not. *Rotation and retirement of Directors*
114. The Directors to retire in every year shall be those who being subject to retirement by rotation, have been longest in office since their last election but as between persons who become Directors on the same day, the Directors to retire shall unless they otherwise agree among themselves, be determined by lot. *Which Directors to retire*
115. A retiring Director shall be eligible for re-election provided he is not disqualified under the Applicable Laws. *Retiring Directors eligible for re-election*
116. No person shall be eligible for election to the office of Director at any General Meeting unless a notice of intention to propose his election signed by a Member and a notice of his consent to the nomination signed by the nominee have been left at the Office not more than thirty (30) days nor less than eleven (11) clear days before the date appointed for the Meeting, provided that in the case of a person recommended by the Directors for election, nine (9) clear days' notice only shall be necessary and notice of every candidate for election shall be served on all Members at least seven (7) days prior to the meeting at which the election is to take place. The provisions of this Clause shall not apply to the re-election of a retiring Director. *Notice of proposal to appoint Directors*
117. The Company at the meeting at which a Director retires under any provision of this Constitution and the said Director has not offered himself for re-election may, by ordinary resolution fill up the vacated office by electing a person thereto. *Filling vacated office*
118. The Company may from time to time in general meeting, subject to the Act, increase or reduce the number of Directors. *Number may be increased or decreased*
119. The Company may by ordinary resolution of which special notice has been given remove any Director before the expiration of his period of office notwithstanding any provisions of this Constitution or of any agreement between the Company and such Director but without prejudice to any claim he may have for damages payable to him in respect of the termination of his appointment as Director or of any other appointment terminating with that as Director. The Company may, by ordinary resolution, appoint another person in his stead. The person so appointed shall hold office so long as the Director in whose place he is appointed would have held the same if he had not been removed. In default of such appointment the vacancy so arising may be filled by the Directors as a casual vacancy. Where such Director was appointed to represent the interests of any particular class of shareholders or debenture holders, the resolution to remove such Director shall not take effect unless the Director's successor has been appointed. *Removal of Directors*

PROCEEDINGS OF DIRECTORS

120. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit and may from time to time determine the quorum necessary for the transaction of business. The quorum for a meeting of the Directors shall be fixed from time to time by the Board and unless so fixed, at least half of the members of the Board for the time being of the Company shall form a quorum for a meeting of the Directors. *Directors' Meeting and quorum*
121. A Director may at any time and the Secretary upon the request of the Director shall summon a meeting of the Directors by giving notice in accordance with Clause 152 below, where applicable. *Power to convene meeting of Directors*
122. A meeting of the Board or a committee appointed by the Board may be held by means of telephone, video conference or telephone conference or other telecommunication facilities which permits all persons participating in the meeting to communicate with each other. A person so participating shall be deemed to be present in person at such meeting and unless otherwise provided in this Constitution, be counted in a quorum and be entitled to vote. *Meeting by electronic communication*
123. A Director notwithstanding his interest shall be counted in the quorum present at any meeting where he or any other Director is appointed to hold any office or place of profit under the Company or where the Directors resolve to exercise any of the rights of the Company, (whether by the exercise of voting rights or otherwise) to appoint or concur in the appointment of a Director to hold any office or place of profit under any other company or where the terms of any such appointment as hereinafter mentioned are considered or where any decision is taken upon any contract, arrangement or transaction in which he is in any way interested PROVIDED ALWAYS THAT he has complied with relevant provisions of the Act, the Listing Requirements, the FSA or the IFSA, where applicable and of this Constitution and PROVIDED FURTHER THAT he shall not take part in any deliberations or vote at the meeting in respect of the contract, arrangement or transaction in which he is interested. *Interested Director to be counted in quorum*
124. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote except when only two (2) Directors are competent to vote on the question at issue in which event the Chairman of the meeting shall not have a second or casting vote and the question arising at the Meeting shall be deemed to have been lost or not carried. *Questions to be decided by majority of votes*
125. The Directors may elect a Chairman and a Deputy Chairman of their meetings and determine the period of which they are to hold office. The Deputy Chairman will perform the duties of the Chairman during the Chairman's absence for any reason. The Chairman or in his absence the Deputy Chairman shall preside at all meetings of Directors. If neither a Chairman nor Deputy Chairman is elected, or if at any meeting the Chairman or the Deputy Chairman is not present within fifteen minutes of the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting. Any Director acting as Chairman of a meeting of the Directors shall have the Chairman's right to a second or casting vote whenever there is an equality of votes subject however to the exception specified in Clause 124. *Chairman and Deputy Chairman*

126. The Directors may delegate any of their powers to Committees consisting of such member(s) of their body or person(s) as they may think fit. Any Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors.
- Directors may delegate powers to Committee*
- All acts done by such Committee in conformity with such regulations and in fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect as if done by the Board, and the Board, subject to Clauses 95 and 96 above, shall have power to remunerate the members of any special Committee in accordance with this Constitution, and such remuneration may be charged to the current expenses of the Company.
127. The meetings and proceedings of any such Committee shall be governed by the provisions of this Constitution regulating the meetings and proceedings of Directors so far as the same are applicable and are not superseded by any regulations made by the Directors under the last preceding Clause.
- Proceedings at committee meetings*
128. All acts done by any meeting of the Directors, or of a Committee, or by any person acting as a Director, shall as regards all persons dealing in good faith with the Company, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid, or that they or any of them were disqualified to be a Director or had vacated office or were not entitled to vote be as valid as if every such person had been duly appointed and qualified to be a Director and had been entitled to vote.
- Validity of acts of Directors and Committee*
129. A resolution in writing signed or assented to by a majority in number of the Directors then entitled to receive notice of meeting of the Board (save for the interested Directors referred to in Clause 102 above), shall be as effective for all purposes as a resolution passed at a meeting of the Directors duly convened, held and constituted and may consist of several documents in like form, each signed or assented to by one or more of the Directors. Any such document may also be accepted as sufficiently signed or assented to by a Director if such signature or assent is transmitted to the Company by any electronic means.
- Resolution in writing valid and effectual under certain circumstances*
130. (1) The Directors shall provide for the safe custody of the Seal, which shall only be used by the authority of the Directors or of a Committee authorised by the Directors in that behalf, and every instrument to which the Seal is affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose. The Directors may in relation to share and debenture stock certificates and debentures make such regulations as they think fit determining the persons and the number of such persons in whose presence the Seal shall be affixed and the manner in which such signatures may be reproduced.
- Seal of Company and its use*
- (2) The Company may have a duplicate Seal as referred to under the Act which shall be a facsimile of the Seal with the addition on its face of the word "Securities".
131. The Company or the Directors on behalf of the Company may exercise the powers conferred by the provisions of the Act with regard to having an official seal for use abroad which shall be the exact copy of the Seal, with the addition on its face of the place where it is to be used and the powers conferred by the provisions of the Act with regard to the keeping of a Branch Register.
- Seal for use abroad*

MINUTES

132. (1) The Directors shall cause minutes to be duly entered in books provided for the purpose:- *Minutes*
- (a) of all appointments of officers made by the Directors;
 - (b) of all the names of the Directors present at each meeting of the Directors and of any Committee of Directors;
 - (c) of all resolutions and proceedings of General Meetings and of meetings of the Directors and Committee of Directors; and
 - (d) of all orders made by the Directors and Committees of Directors.
- (2) Any such minutes of any meeting of the Directors, or of any Committee of Directors, or of the Company, if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting shall be receivable as prima facie evidence of the matters stated in such minutes. *Signature on minutes*
- (3) The books containing the minutes of proceedings of any general meeting shall be kept by the Company at the Office and shall be open to the inspection of any Member during normal office hours without charge.
- (4) Any Member shall be entitled to be furnished within fourteen (14) days or such other period as may be required under the Act, after he has made a request in writing in that behalf to the Company with a copy of any minutes specified in sub-paragraph (3) of this Clause at a charge not exceeding Ringgit Two (RM2.00) for every hundred words thereof.

SECRETARY

133. The Secretary or Secretaries shall in accordance with the Act be appointed by the Board for such term, at such remuneration and upon such conditions as they may think fit, and any Secretary or Secretaries so appointed may be removed by them. *Secretary*

REGISTER OF DIRECTORS, MANAGERS AND SECRETARIES

134. The Directors shall cause to be kept a Register of Directors, Managers and Secretaries of the Company at the Office as required under the Act.

AUTHENTICATION OF DOCUMENTS

135. Any Directors or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the Constitution of the Company 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. *Power to authenticate documents*

DIVIDENDS AND RESERVE FUND

136. The Directors may from time to time declare and pay dividends including dividend-in-specie, out of profits of the Company if the Company is solvent. For this purpose, the Company is regarded as solvent if the Company is able to pay its debts as and when the debts become due within twelve (12) months immediately after the dividend is paid. No higher dividend shall be paid than is authorised by the Directors and the declaration of the Directors as to the amount of the net profits shall be conclusive. *Dividend*
137. Subject to the provisions hereinafter contained and to the rights of Members entitled to shares with special rights as to dividends, all dividends shall be paid to the Members in proportion to the amounts paid up on their shares. For the purposes of this Clause no amounts paid on a share in advance of calls shall be treated as paid on such share. All dividends shall 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 up except that if any share is issued on terms providing that it shall rank for dividend as if paid up (in whole or in part) as from a particular date or that it shall not rank for dividend declared in respect of any period or periods that share shall rank for dividend accordingly. *Dividend in proportion to amounts paid up*
138. The Directors may, before authorising the payment of a dividend, set aside out of the profits of the Company, such sums as they think proper as a reserve fund or reserve funds, which shall, at the discretion of the Directors, be applicable for meeting contingencies, or for the gradual liquidation of any debt or liability of the Company or for repairing or maintaining any works connected with the business of the Company, or, as to the whole or in part, be applicable for equalising dividends, or for distribution by way of bonus among the Members of the Company for the time being on such terms and in such manner as the Company in General Meeting shall from time to time determine, and pending such application, the Directors may employ the sums from time to time so set apart as aforesaid in the business of the Company, or invest the same in such securities (other than the shares of the Company) as they may select. The Directors may also without placing the same to reserve from time to time carry forward such sums as may be deemed expedient in the interests of the Company. *Creation of reserve fund and distribution of bonus*
139. (1) The Directors may deduct from any dividend payable to any Member all sums of money (if any) immediately payable by him to the Company on account of calls or otherwise in relation to the shares of the Company held by him.
- (2) The Directors may retain any dividends or other moneys payable on or in respect of a share other than fully paid shares on which the Company has a lien and may apply the same in or towards satisfaction of the debt, liabilities or engagements in respect of which the lien exists.
- (3) The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member, or which any person is under those provisions entitled to transfer, until such person shall become a Member in respect of such shares or shall transfer the same.
- (4) A transfer of shares shall not pass the right to carry dividend declared on such shares before the registration of the transfer.

140. Any authorisation by the Directors in relation to the declaration and payment of a dividend pursuant to Clause 136 may resolve that such dividend be paid wholly or in part by the distribution of specific assets, and in particular of paid-up shares, debentures, or debenture stock of the Company, or paid-up shares, debentures, or debenture stock of any other company, or in any one or more of such ways and where any difficulty arises in regard to the distribution, the Directors may settle the same as they think expedient, and fix the value for distribution of the specific assets or any part thereof and may determine that cash payments shall be made to any Member upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.
- Dividend paid by distribution in specie*
141. Where the Company has purchased its own shares and such shares are held as treasury shares, the Directors may, at any time, in accordance with the Act distribute the treasury shares as dividends to shareholders, such dividends to be known as "Share Dividends".
142. (1) Unless otherwise directed any dividend, interest or other money payable in cash in respect of shares may be paid by cheque or warrants sent through the post to the last registered address of the Member or paid via electronic transfer of remittance to the bank account provided by the Member. Every cheque or warrant or electronic transfer of remittance shall be made payable to the order of the person to whom it is sent and the payment of such cheque or warrant or electronic transfer of remittance shall operate as a good discharge to the Company notwithstanding that it may subsequently appear that the same has been stolen or that the endorsement thereon has been forged. Every such cheque or warrant or electronic transfer of remittance shall be sent at the risk of the person entitled to the money thereby represented. No unpaid dividend or unpaid interest shall bear interest as against the Company.
- Dividend warrant may be sent by post and unpaid dividend to bear no interest*
- (2) The Company shall not be responsible for the loss of any cheque, draft, dividend warrant or postal order which shall be sent by post duly addressed to the Member for whom it is intended.
- (3) The Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.
143. No dividend other than Share Dividends referred to in Clause 141, shall be paid otherwise than out of profits or shall bear interest against the Company.
- Dividends payable from profits only*

CAPITALISATION OF PROFITS

144. The Company in General Meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing 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 proportion 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 one way and partly in the other, and the Directors shall give effect to such resolution.
- Capitalisation of profits*

145. Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments, and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates, on the application by the Member or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the Members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such Members.

FINANCIAL STATEMENTS

146. The Directors shall cause proper accounting and other records to be kept and shall distribute copies of balance sheets and other documents as required by the Act and the Exchange and shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting and other records of the Company or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or paper of the Company except as conferred by statute or authorised by the Directors or by the Company in general meeting. Subject always to the Act, the books of account or records of operations shall be kept at the Office or at such other place as the Directors think fit and shall at all times be open to inspection by the Directors.
- Directors to keep proper accounts*
147. (1) The Directors shall from time to time in accordance with the Act, cause to be prepared, circulated to the Members and laid before the Company in General Meeting such audited financial statements and report as are referred to in the Act. The interval between the close of a financial year of the Company and the issue of audited financial statements, the Directors' and Auditors' reports for purposes of filing with the Exchange shall not exceed four (4) months or such other period as may be determined by the Exchange from time to time and any Member shall be entitled to receive copies of the financial statements and reports free of charge for each financial year to their last known address provided to the Company.
- Presentation of financial statements*
- (2) Such documents may be in printed form or in compact disc read-only memory ("CD-ROM") or digital versatile disc read-only memory ("DVD-ROM") format or in any other format whatsoever (whether available now or in the future) through which images, data, information or other materials may be viewed whether electronically or digitally or howsoever or in such other form of electronic media permitted under the Listing Requirements provided always that in respect of the delivery of such documents by way of electronic mail, the Company shall deliver such documents to the Members' electronic address such as electronic mail, mobile or contact number as appearing in the Record of Depositors and maintain records of proof of such delivery. For the purpose of this Clause, such electronic address shall be deemed as the last known address of the Member unless the Company is informed otherwise in writing.

- (3) The requisite number of copies of each such documents as are referred to in paragraph (1) of this Clause shall be forwarded to the Exchange upon which the Company may be listed at the same time as such documents are sent to the Members.

LANGUAGE

148. Where any financial statements, minutes books or other records required to be kept by the Act is not kept in the Malay or English language, the Directors shall cause a true translation in Malay or English language of such financial statements, minute books and other records to be made from time to time at intervals of not more than seven (7) days and shall cause such translations to be kept with the original financial statements, minute books and other records for so long as the original financial statements, minute books and other records are required by the Act to be kept. *Language*

AUDIT

149. Once at least in every year the financial statements of the Company shall be examined, and the correctness of the financial statements ascertained by one or more Auditor or Auditors. *Financial statements to be audited annually*
150. The Company at each Annual General Meeting shall appoint an Auditor or Auditors to hold office until the next Annual General Meeting, and their appointment, remuneration, rights and duties shall be regulated by the Act, the FSA or the IFSA and the Listing Requirements, where applicable. *Appointment of Auditors*
151. Every financial statements of the Company when audited and laid before the Company at a general meeting shall be conclusive, except as regards any error discovered therein, within three (3) months next after such general meeting. Whenever any such error is discovered within that period, the financial statements shall forthwith be corrected by the Directors and an entry made in their minute book and henceforth shall be conclusive. *Audited financial statements conclusive*

NOTICES

152. A notice or any other document may be served by the Company or the Secretary, in printed form or in CD-ROM or DVD-ROM format or in such other form of electronic media including publication on the Company's website, notification by electronic means including email, short messaging service, multimedia, social media programme, application or such other mode, programme or platform capable of performing a similar function or any combination thereof, upon any Member, Director or Auditor as the case may be either by hand, telephone, facsimile or sending it by post addressed to such Member or Director at the last known address as the case may be or by electronic means to the electronic address provided by the Member (as appearing in the Record of Depositors) or Director (as appearing in the Register of Directors or provided by the Director) PROVIDED THAT:
- (1) if the Company publishes any notice or other document on its website, the Company shall immediately notify the Member in writing of the publication of such notice or other document and provide a designated access link or address where a copy of such notice or other document may be obtained provided further that the Company shall comply with the Act in respect of the publication of a notice of meeting on a website; *Mode of service*

- (2) if the Company gives any notice or other document via electronic mail, the Company shall maintain records of the electronic mail being sent and that no written notification of delivery failure is received by the Company;
 - (3) if the Member requests for a hard copy of the notice or other documents, the Company shall deliver the physical copy of such notice or other document to the Member free of charge as soon as reasonably practicable; and
 - (4) if a document is required to be completed by the Member in respect of a rights issue or offer for sale, the Company shall deliver such document to the Member through electronic mail, in hard copy or in any other manner as the Exchange may prescribe or permit from time to time.
153. Each holder of registered shares, whose registered place of address is not in Malaysia, may from time to time notify in writing to the Company an address in Malaysia, which shall be deemed to be his registered place of address within the meaning of the last preceding Clause otherwise the notice or any other document may be sent to him, by post or by electronic means to his registered address appearing in the Register and/or the Record of Depositors. *Address*
154. 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 and/or 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 PROVIDED ALWAYS that a person entitled to a share in consequence of the death or bankruptcy of a Member, upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address within Malaysia for the service of notices, shall be entitled to have served upon him at such address any notice or document to which the Member but for his death or bankruptcy would be entitled, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.
155. (1) A notice or other document if served or sent personally shall be deemed to have been served upon delivery or if served or sent by post, facsimile or other electronic means, shall be deemed to have been served or delivered on the day on which the envelope or wrapper containing the same is posted or the message contained in the notice or document is transmitted, as the case may be. *Notice*
- (2) A certificate in writing signed by any Manager, Secretary or other Officer of the Company that a letter, envelope or wrapper containing the notice or other document was properly addressed and put into the Post Office letter box or in the case of a facsimile or other electronic means that other facsimile or electronic means was properly transmitted shall be conclusive evidence thereof.

156. Any notice or document sent by hand, post, facsimile or electronic means to, or left at the registered address of any Member in pursuance of this Constitution, shall, notwithstanding such Member be then deceased and whether or not the Company have notice of his demise, be deemed to have been duly served in respect of any registered shares, whether held solely or jointly with other persons by such Member, until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of this Constitution be deemed a sufficient service of such notice or document on his personal representatives and all persons, if any, jointly interested with him in any such share.
157. Any notice on behalf of the Company or of the Directors shall be deemed effectual if it purports to bear the signature of the Secretary or Secretaries or any one of them or other duly authorised Officer of the Company whether such signature is printed or written.

Notice valid through Member deceased

WINDING UP

158. If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a special resolution, divide among the Members in specie or kind, the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds and may for such purpose set such value as they deem fair upon anyone or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidators may with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the Members, or any of them, as the liquidators with the like sanction, shall think fit.
159. If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid-up, or which ought to have been paid-up, at the commencement of the winding up, on the shares held by them respectively. But this Clause is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions. If however the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up, the excess shall be distributed among the Members in proportion to the capital paid-up or which ought to be paid at the commencement of the winding up, on the shares held by them respectively.
160. On a voluntary winding up of the Company, no commission or fee shall be paid to a liquidator without the prior approval of the Members in general meeting or ratified by the Members in general meetings. The amount of such payment shall be notified to all Members not less than seven (7) days prior to the Meeting at which it is to be considered.

Distribution in specie

Distribution on winding up

Liquidator's commission

INDEMNITY

161. Every Director, Manager, Secretary, Auditor or Officer for the time being of the Company, and any trustees for the time being acting in relation in any of the affairs of the Company and their heirs, executors and administrators respectively, shall be indemnified out of the assets of the Company from and against all actions, proceedings, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by reason of any act done, or omitted in or about the execution of their duty in their

Company to indemnify

respective offices or trusts, except such (if any) as they shall incur or sustain by or through their own negligence, default, breach of duty or breach of trust respectively, and no such officer or trustee shall be answerable for the acts, receipts, neglects, or defaults of any other officer, or trustee, or for joining in any receipt for the sake of conformity, or for the solvency or honesty of any bankers or other person with whom any moneys or effects belonging to the Company may be lodged or deposited for safe custody, or for any insufficiency or deficiency of any security upon which any moneys of the Company shall be invested or for any other loss or damage due to any such cause as aforesaid, or which may happen in or about the execution of his office or trust, unless the same shall happen through the negligence, default, breach of duty or breach of trust of such officer or trustee.

RECONSTRUCTION

162. On any sale of the undertaking of the Company, the Directors or the liquidators on a winding up may, if authorised by a special resolution, accept fully paid or partly paid-up shares, debentures or securities of any other company, either then existing or to be formed for the purchase in whole or in part of the property of the Company, and the Directors (if the profits of the Company permit), or the liquidators (on a winding up), may distribute such shares or securities, or any property of the Company amongst the Members without realisation, or vest the same in trust for them and any special resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the Members or contributories of the Company, and for valuation of any such securities or property at such price and in such manner as the meeting may approve, and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorised, and waive all rights in relation thereto, save only in the case of the Company which is proposed to be or is in the course of being wound up, such statutory rights (if any) under the Act as are incapable of being varied or excluded by this Constitution. *Reconstruction*
163. In the event of a winding up of the Company, every Member of the Company shall be bound, within fourteen (14) days, after the passing of an effective resolution to wind up the Company voluntarily, or after the making of an order for the winding up of the Company to serve notice in writing on the Company appointing some persons in Malaysia upon whom all summons, notices, process orders and judgements in relation to or under the winding up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such Member to appoint some such person, and service upon any such appointee, whether appointed by the Member or liquidator shall be deemed to be good personal service on such Member for all purposes, and, where the liquidator makes any such appointment, he shall with all convenient speed give notice thereof to such Member by advertisement in a newspaper circulating in Malaysia, or by a registered letter sent through the post and addressed to such Member at his address as mentioned in the Register of Members of the Company, and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted. *Service of documents in case of winding up*

GENERAL

164. Every Director, Manager, Auditor, Trustee, Member of a Committee, Officer, servant, agent, accountant or other person employed in the business of the Company, shall, if required, before entering upon his duties sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individuals in *Secrecy*

matters relating thereto, and shall, by such declaration, pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors, or by any Meeting, or by a Court of Law, or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in this Constitution contained.

COMPLIANCE WITH STATUTES, REGULATIONS AND RULES

165. 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 BNM, the Exchange, the Depository and other appropriate authorities, to the extent required by law, notwithstanding any provision in this Constitution to the contrary.

Compliance

EFFECT OF THE LISTING REQUIREMENTS

166. (1) Notwithstanding anything contained in this Constitution, if the Listing Requirements prohibit an act being done, the act shall not be done.
- (2) Nothing contained in this Constitution prevents an act being done that the Listing Requirements require to be done.
- (3) If the Listing Requirements require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be).
- (4) If the Listing Requirements require this Constitution to contain a provision and it does not contain such a provision, this Constitution is deemed to contain that provision.
- (5) 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.
- (6) If any provision of this Constitution is or becomes inconsistent with the Listing Requirements, this Constitution is deemed not to contain that provision to the extent of the inconsistency.
- (7) For the purpose of this Constitution, unless the context otherwise requires, the Listing Requirements means the Listing Requirements of the Exchange including any amendment to the Listing Requirements that may be made from time to time.

[This page is intentionally left blank]

FURTHER INFORMATION**1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Circular had been seen and approved by the Directors of the Bank who collectively and individually accept full responsibility for the accuracy of the information given and confirm that, having made all reasonable enquiries and to the best of their knowledge and belief, there are no other material facts, the omission of which would make any statement herein misleading.

2. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

As at the LPD, HLB Group is not engaged in any material litigation, claims or arbitration which are out of the ordinary course of business of the HLB Group, either as plaintiff or defendant, and the Directors of the Bank are not aware of any proceeding pending or threatened against the HLB Group or any facts likely to give rise to any proceeding which might materially and adversely affect the business and financial position of the HLB Group.

3. MATERIAL CONTRACTS

There are no contracts which are material (not being contracts entered into in the ordinary course of business) which have been entered into by the HLB Group within the two (2) years immediately preceding the date of this Circular.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of HLB at Level 30, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur during normal office hours from Mondays to Fridays (except public holidays) from the date of this Circular to the date of the Said AGM:

- (i) Constitution of HLB; and
- (ii) audited consolidated financial statements of HLB for the past two (2) financial years ended 30 June 2018 and 2019.