



NOTICE IS HEREBY GIVEN that the **FIFTY-FIFTH ANNUAL GENERAL MEETING OF SELANGOR DREDGING BERHAD** will be held at the Ballroom, Hotel Maya Kuala Lumpur, 138, Jalan Ampang, 50450 Kuala Lumpur on Friday, 26 August 2016 at 9.30 am for the following purposes:

- To receive the Financial Statements for the year ended 31 March 2016 and the Directors' and Auditors' Reports thereon.
- To approve the payment of a First and Final Single Tier Dividend of 5% (2015: 6%) for the year ended 31 March 2016. **(RESOLUTION 1)**
- To approve the payment of Directors' Fees amounting to RM272,000 (2015 : RM272,000) for the year ended 31 March 2016. **(RESOLUTION 2)**
- To re-elect Ms Teh Lip Pink who retires by rotation pursuant to Article 80 of the Company's Articles of Association. **(RESOLUTION 3)**
- To consider and, if thought fit, to pass the following resolution pursuant to Section 129 of the Companies Act, 1965:-

"THAT, pursuant to Section 129 of the Companies Act, 1965, Tan Sri Mohd Ismail bin Che Rus be and is hereby re-appointed as Director to hold office until the conclusion of the next Annual General Meeting of the Company."

(RESOLUTION 4)

- To re-appoint Messrs BDO, the retiring Auditors and to authorise the Directors to fix their remuneration. **(RESOLUTION 5)**

AS SPECIAL BUSINESS

- As Special Business to consider and if thought fit, to pass the following Ordinary Resolutions, with or without modifications:-

**ORDINARY RESOLUTION I
AUTHORITY PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965**

"THAT, subject always to the Companies Act, 1965 and the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered, pursuant to Section 132D of the Companies Act, 1965, to issue shares in the Company from time to time at such price, upon such terms and to such person/persons or party/parties whomsoever the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being, and that such authority shall continue in force until the conclusion of the next Annual General Meeting." **(RESOLUTION 6)**

**ORDINARY RESOLUTION II
APPROVAL TO CONTINUE IN OFFICE AS SENIOR INDEPENDENT DIRECTOR**

"THAT Tan Sri Mohd Ismail bin Che Rus who has served the Board as the Senior Independent Non-Executive Director of the Company for a cumulative term of more than nine years since 10 September 2002 be and is hereby retained as the Senior Independent Non-Executive Director of the Company." **(RESOLUTION 7)**

**ORDINARY RESOLUTION III
APPROVAL TO CONTINUE IN OFFICE AS INDEPENDENT DIRECTOR**

"THAT Mr. Tee Keng Hoon who has served the Board as the Independent Non-Executive Director of the Company for a cumulative term of more than nine years since 30 April 2004 be and is hereby retained as the Independent Non-Executive Director of the Company." **(RESOLUTION 8)**

- To transact any other business which due notice shall have been given in accordance with the Companies Act, 1965.

By Order of the Board

**WON SEE YEE
SEOW FEI SAN**
Secretaries

Kuala Lumpur
29 July 2016

NOTICE OF DIVIDEND PAYMENT

Subject to the approval of the shareholders at the Annual General Meeting, a First and Final Single Tier Dividend of 5% will be paid on 9 September 2016 to all shareholders whose names appear in the Record of Depositors and the Register of Members of the Company at the close of business on 2 September 2016.

A Depositor shall qualify for entitlement to the dividend only in respect of:

- Shares transferred into the Depositor's Securities Account on or before 4.00 pm on 2 September 2016 in respect of transfers; and
- Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the rules of the Bursa Malaysia Securities Berhad.

Notes:

- Only depositors whose names appear in the Record of Depositors as at 18 August 2016 shall be regarded as members and entitled to attend, speak and vote at the Annual General Meeting.
- A member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy or proxies to attend and vote instead of him. A proxy need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply. A proxy appointed to attend and vote at a meeting of a company shall be entitled to vote on any question at any general meeting and have the same rights as the member to speak at the meeting.
- A member of the Company may appoint not more than two proxies to attend at the same meeting. Where the member of the Company appoints two proxies, the appointment shall be invalid unless the member specifies the proportion of his shareholding to be represented by each proxy.
- A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 can appoint at least one proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an Exempt Authorised Nominee which holds ordinary share in the Company for multiple beneficial owners in one (1) securities account (omnibus account), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy and the power of attorney or other authority, if any, which is signed or notarially certified copy of that power of authority, shall be deposited at the Share Registrars, Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting.

Explanatory Notes to Special Business:

**Resolution 6
Authority Pursuant to Section 132D of The Companies Act, 1965**

At last year's Annual General Meeting, mandate was given to Directors to issue and allot at no more than 10% of the issued share capital of the Company. However, the mandate was not utilised and accordingly will lapse at the forthcoming Annual General Meeting. As such, the Board would like to seek for a renewal of the mandate.

The proposed Ordinary Resolution 6, if passed, will empower the Directors of the Company to issue and allot not more than 10% of the issued share capital of the Company subject to the approvals of all the relevant governmental and/or other regulatory bodies and for such purposes as the Directors consider would be in the interest of the Company.

The authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

This authorisation will, unless revoked or varied by the Company in a general meeting, expire at the next Annual General Meeting of the Company.

**Resolutions 7 and 8
Approval to Continue in Office as Independent Director**

The Proposed Ordinary Resolutions 7 and 8, if passed, will enable Tan Sri Mohd Ismail bin Che Rus and Mr. Tee Keng Hoon to continue serving as the Senior Independent Director and Independent Director of the Company respectively as recommended under Malaysian Code on Corporate Governance 2012 ("MCCG 2012").

Tan Sri Mohd Ismail bin Che Rus and Mr. Tee Keng Hoon were appointed on 10 September 2002 and 30 April 2004 respectively.

An assessment of the independence of all Independent Directors was undertaken as part of the Board's assessment in 2016. The Board of Directors has considered the results of the independence assessment of Tan Sri Mohd Ismail bin Che Rus and Mr. Tee Keng Hoon, which was undertaken pursuant to the guidelines as set out in the Main Market Listing Requirements of Bursa Securities and MCCG 2012, and are satisfied that they meet the guidelines for independence and their ability to exercise independent judgement. Therefore, the Board recommends that Tan Sri Mohd Ismail bin Che Rus and Mr. Tee Keng Hoon should be retained as the Senior Independent Director and Independent Director of the Company respectively.