



**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** That the Thirty-Seventh (37<sup>th</sup>) Annual General Meeting of Sarawak Consolidated Industries Berhad ("SCIB" or "the Company") will be held at the Board Room, 2<sup>nd</sup> Floor, SCIB Building, Lot 1258, Jalan Utama, Pending Industrial Estate, 93450 Kuching, Sarawak on Friday, 21 June 2013 at 3.30 p.m. for the following purposes:

**AGENDA**

**ORDINARY BUSINESS**

- (a) To receive the Audited Financial Statements for the financial year ended 31 December 2012 together with the Reports of the Directors and Auditors thereon.
- (b) To approve the annual fees of the Non-Executive Directors at an amount not exceeding RM215,000 in aggregate for the financial year ending 31 December 2013. Resolution 1
- (c) To re-elect the Director, YBhg. Tan Sri Datuk Amar (Dr.) Hamid bin Bugo who retires in accordance with Article 115 of the Company's Articles of Association and being eligible, offers himself for re-election. Resolution 2
- (d) To re-elect the following Directors who retire in accordance with Article 93 of the Company's Articles of Association and being eligible, offer themselves for re-election-
  - i) YBhg. Datu Haji Hamzah Bin Haji Drahman Resolution 3
  - ii) Tuan Haji Soedirman Bin Haji Aini Resolution 4
- (e) To re-appoint Messrs. Ernst & Young as auditors of the Company for the ensuing year and to authorise the Board of Directors to fix their remuneration. Resolution 5

**SPECIAL BUSINESS**

- (f) To consider and, if thought fit, pass the following resolutions pursuant to Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012 to retain the following directors:
  - **Continuation in Office as Independent Non-Executive Directors**
    - i) **"THAT** approval be and is hereby given to Mr. Richard Kiew Jiat Fong, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue in office as Independent Non-Executive Director of the Company" Resolution 6
    - ii) **"THAT** approval be and is hereby given to YBhg. Dato Tan Chung Lok, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue in office as Independent Non-Executive Director of the Company." Resolution 7
- (g) To consider and, if thought fit, pass the following resolution as ordinary resolution:
  - **Authority to issue shares pursuant to Section 132D of the Companies Act, 1965**

**"THAT** pursuant to Section 132D of the Companies Act, 1965, and subject always to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total issued share capital of the Company for the time being and that the Directors be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." Resolution 8

- (h) To consider and, if thought fit, pass the following resolution as ordinary resolution:
  - **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of A Revenue or Trading Nature ("Proposed Shareholders' Mandate")**

**"THAT** subject always to the Listing Requirements of Bursa Malaysia Securities Berhad, approval be hereby given to the Company and/or its subsidiaries ("SCIB Group") to enter into any of the category of related party transactions which are recurrent, of a revenue or trading nature and are necessary for the day-to-day operations of SCIB Group as outlined in Part A of the Circular to Shareholders dated 29 May 2013 ("Circular"), with the specified related parties mentioned therein subject further to the following:-

  - (i) the transactions are in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public and not detrimental to the interest of the minority shareholders of the Company; and
  - (ii) disclosure is made in the annual report a breakdown of the aggregate value of the 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, and amongst others, based on the following information-
    - the type of the recurrent related party transactions made; and
    - the names of the related parties involved in each type of the recurrent related party transactions made and their relationship with the Company.

**AND THAT** such approval will continue to be in force until:-

  - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
  - (b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("Act") [but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Act]; or
  - (c) revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier.

**AND THAT** the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Shareholders' Mandate." Resolution 9

- (i) To consider and, if thought fit, pass the following resolution as Ordinary Resolution:
  - **Proposed Renewal of Authority for purchase of own shares by the Company ("Proposed Share Buy-Back")**

**"THAT** subject always to the Companies Act, 1965 ("Act"), rules, regulations and orders made pursuant to the Act, provisions of the Memorandum and Articles of Association of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authorities, the Company be and is hereby unconditionally and generally authorised to purchase and/or hold on the market of Bursa Securities such number of ordinary shares of RM1.00 each ("Shares") in the Company as may be determined by the Directors from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company provided:

  - (i) that the total aggregate number of Shares purchased and/or held or to be purchased and/or held pursuant to this resolution shall not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company for the time being;
  - (ii) the funds to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the aggregate of the total share premium account of the Company at the time of purchase; and
  - (iii) the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and will continue to be in force until-
    - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
    - (b) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
    - (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting, whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of the Shares before the aforesaid expiry date and, made in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities; and
  - (iv) upon completion of the purchase(s) of the Shares by the Company, the Directors of the Company be and are hereby authorised to cancel the Shares so purchased or to retain the Shares so purchased as treasury shares, of which may be distributed as dividends to shareholders, and/or resold on Bursa Securities, and/or subsequently cancelled or to retain part of the Shares so purchased as treasury shares and cancel the remainder and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authority for the time being in force;

**AND THAT** the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise, complete or to effect the purchase(s) of the Shares with full powers to assent to any conditions, modifications, resolutions, variations and/or amendments (if any) as may be imposed by the relevant authorities and to do all such acts and things as the said Directors may deem fit and expedient in the best interest of the Company to give full effect to and to complete the purchase of SCIB's own shares." Resolution 10

- (j) To consider and, if thought fit, pass the following resolution as special resolution:
  - **Proposed Amendment to the Company's Articles of Association**

**"THAT** the proposed amendment to the Company's Articles of Association as set out in Appendix A be and is hereby approved and adopted.

**AND THAT** the Directors of the Company be hereby authorised to do all acts and take all steps as they may consider necessary or expedient to give full effect to the proposed amendment to the Articles of Association of the Company." Resolution 11

- (k) To transact any other business which may properly be transacted at an annual general meeting, due notice of which shall have been previously given in accordance with the Articles of Association of the Company and the Companies Act, 1965.

**BY ORDER OF THE BOARD**  
**VOON JAN MOI (MAICSA 7021367)**  
 Company Secretary  
 Dated: 29 May 2013  
 Kuching, Sarawak

**Explanatory Notes on Special Businesses:-**

- a) **Resolutions 6 and 7- Continuation in Office as Independent Non-Executive Directors of the Company**  
 The proposed resolutions 6 and 7 are to comply with Recommendation 3.3. of the Malaysian Code on Corporate Governance 2012 to seek shareholders' approval to retain Mr. Richard Kiew Jiat Fong and YBhg. Dato Tan Chung Lok as Independent Non-Executive Directors who had served for a cumulative term of more than nine (9) years. Mr. Kiew and YBhg. Dato Tan are Independent Non-Executive Directors who have vast experience and technical background qualification to enable them to bring continuous independence and objective judgment to the Board of Directors' decision. They fulfill all the criteria of independence as defined in the Listing Requirements. Their long tenure have not impaired their independence and they remain free of conflict of interest to enable them to carry out their roles and responsibilities as Independent Non-Executive Directors effectively. Although having served the Company for more than nine (9) years, they are subject to assessment by the Board of Directors annually. The Remuneration and Nomination Committee and the Board of Directors have assessed both of them.
- b) **Resolution 8- Authority to issue shares pursuant to Section 132D of the Companies Act, 1965**  
 The proposed resolution 8 will empower the Directors to issue and allot shares up to an aggregate amount not exceeding 10% of the issued share capital of the Company for the time being, for such purposes as the Directors consider would be in the best interests of the Company and also to empower the Directors to obtain approval from Bursa Securities for the listing of and quotation for additional shares issued. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.  
 The general mandate sought for issue of shares is a renewal of the general mandate that was approved by the Shareholders at the Company's annual general meeting held on 22 June 2012. The Company did not utilise the mandate sought during the financial year ended 31 December 2012.  
 The renewal of the general mandate is to provide flexibility to the Company to issue new shares without the need to convene a separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time.  
 The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital and/or acquisitions.
- c) **Resolution 9 - Proposed Shareholders' Mandate**  
 Please refer to Part A of the Circular to Shareholders dated 29 May 2013 for further information.
- d) **Resolution 10 - Proposed Share Buy-Back**  
 Please refer to Part B of the Circular to Shareholders dated 29 May 2013 for further information.
- e) **Resolution 11- Proposed Amendment to the Company's Articles of Association**  
 The proposed resolution 11 is to amend the Articles of Association of the Company in line with the amendments made to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Please refer to Appendix A attached for details of the proposed amendment.

- Notes:**
1. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
  2. To be valid, the duly completed Form of Proxy must be deposited at the registered office of the Company at Lot 1258, Jalan Utama, Pending Industrial Estate, 93450 Kuching, Sarawak not less than 48 hours before the time set for holding the meeting or any adjournment thereof.
  3. A member of the Company entitled to attend, speak and vote at this Annual General Meeting ("AGM") shall not be entitled to appoint more than two (2) proxies to attend, speak and vote at the same meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
  4. If the appointor is a corporation, the Form of Proxy must be executed under its common seal or under the hand of an officer or attorney duly authorised.
  5. Where a member of the Company 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. An exempt authorized nominee refers to an authorized nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
  6. A depositor whose name appears in the Record of Depositors as at 17 June 2013 shall be regarded as a member of the Company entitled to attend this AGM or appoint a proxy to attend, speak and vote on his behalf.