



# UMW OIL & GAS CORPORATION BERHAD

Company No.: 878786-H  
(Incorporated in Malaysia)

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 7<sup>th</sup> Annual General Meeting ("AGM") of UMW Oil & Gas Corporation Berhad will be held at Dewan Tun Abdul Razak, Menara Kembar Bank Rakyat, No. 33, Jalan Rakyat, 50470 Kuala Lumpur, Malaysia on **Monday, 15 May 2017 at 10.00 a.m.** for the following purposes:

### AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 December 2016 and the Reports of the Directors and Auditors thereon.  
*Please refer to Explanatory Note A*
- To reelect the following Directors, each of whom retires by rotation in accordance with Article 107 of the Company's Articles of Association and who being eligible offer themselves for reelection:
  - Cheah Tek Kuang
  - Rohaizad bin Darus
 Tan Sri Asmat bin Kamaludin retires as a Director at the conclusion of this 7<sup>th</sup> AGM.  
*Please refer to Explanatory Note B*
- To reelect Dato' Abdul Rahman bin Ahmad who retires in accordance with Article 113 of the Company's Articles of Association and who being eligible offers himself for reelection.  
*Please refer to Explanatory Note C*
- To approve the payment of Directors' fees for the financial year ended 31 December 2016.
  - To approve the payment of Non-Executive Directors' remuneration (excluding Directors' fees) to the 8<sup>th</sup> AGM of the Company.
  - To approve the payment of Directors' remuneration (excluding Directors' fees) to the Non-Executive Directors up to an amount of RM723,930 from 1 January 2017 until the 8<sup>th</sup> AGM of the Company.  
*Please refer to Explanatory Note D*
- To reappoint Messrs. Ernst & Young as the Company's Auditors for the year ending 31 December 2017 and to authorise the Board of Directors to determine their remuneration.  
*Please refer to Explanatory Note E*

### AS SPECIAL BUSINESS

To consider, if thought fit, to pass the following motion as Ordinary Resolution with or without modifications:

- Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Renewal of Shareholders' Mandate")  
"THAT the mandate granted by the shareholders of the Company on 17 May 2016 pursuant to Paragraph 10.09 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), authorising the Company, its subsidiaries or any of them (the "Group") to enter into the recurrent transactions of a revenue or trading nature as set out in Section 1.3 of the Circular to Shareholders dated 21 April 2017 ("Circular"), with the Related Parties as described in the Circular, which are necessary for the day-to-day operations of the Group, be and are hereby renewed, provided that such transactions are carried out in the ordinary course of business, made on arm's length basis and 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 minority shareholders of the Company.  
AND THAT such authority conferred by such renewed mandate shall continue to be in force until:
  - the conclusion of the 8<sup>th</sup> AGM of the Company following this AGM, at which time it will lapse, unless the authority is renewed by a resolution passed at the general meeting;
  - the expiration of the period within which the next AGM is required to be held pursuant to Section 340 (2) of the Companies Act 2016 ("CA 2016"), but shall not extend to such extension as may be allowed pursuant to Section 340 (4) of the CA 2016; or
  - revoked or varied by resolution passed by the shareholders of the Company in a general meeting of the Company, whichever is the earlier.
 AND THAT authority be and is hereby given to the Directors of the Company to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate.  
AND FURTHER THAT the estimates given on the Recurrent Related Party Transactions specified in Section 1.3 of the Circular being provisional in nature, the Directors or any of them be and are hereby authorised to agree to the actual amount or amounts thereof, provided always that such amount or amounts comply with the review procedures set out in Section 1.5 of the Circular."  
*Please refer to Explanatory Note F*
- To transact any other ordinary business for which due notice has been given in accordance with the CA 2016 and the Company's Articles of Association.

### By Order of the Board

**LEE MI RYOUNG (MAICSA 7058423)**

Company Secretary  
Kuala Lumpur  
21 April 2017

### NOTES:

- A member of the Company entitled to attend and vote at the meeting may appoint a proxy to attend and vote in his/her stead. A proxy may but need not be a member of the Company.
- The instrument appointing a proxy must be in writing under the hands of the appointor or his attorney duly authorised in writing or, if such appointor is a corporation, under its common seal or that of an officer or attorney duly authorised. If the Form of Proxy is signed under the hand of an officer duly authorised, it should be accompanied by a statement reading "signed as authorised officer under Authorisation Document which is still in force, no notice of revocation having been received". If the Form of Proxy is signed under the attorney duly authorised, it should be accompanied by a statement reading "signed under Power of Attorney which is still in force, no notice of revocation having been received". A certified true copy of the Authorisation Document or the Power of Attorney, which should be valid in accordance with the laws of the jurisdiction in which it was created and is exercised, should be enclosed.
- A member shall not be entitled to appoint more than one proxy.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint a proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.  
Every appointment submitted by an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, must specify the CDS Account Number.
- The instrument appointing the proxy, together with the duly registered Power of Attorney referred to in Note 2 above, if any, must be deposited at the office of the registrar, Securities Services (Holdings) Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia, not less than 24 hours before the time appointed for the taking of the poll or any adjournment thereof.
- For the purpose of determining a member who shall be entitled to attend the 7<sup>th</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Article 69(2)(b) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 to issue a General Meeting Record of Depositors as at 8 May 2017. Only a depositor whose name appears on the General Meeting Record of Depositors as at 8 May 2017 shall be entitled to attend the said meeting or appoint a proxy to attend and/or vote in his/her stead.

### EXPLANATORY NOTES TO THE AGENDA:

#### Explanatory Note A

This agenda item is intended for discussion only as Section 340(1)(a) of the CA 2016 does not require a formal approval of the shareholders for the Audited Financial Statements of the Company and hence is not put forward for voting.

#### Explanatory Notes B and C

Article 107 of the Company's Articles of Association expressly states that in every subsequent AGM, one-third of the Directors for the time being or the number nearest to one-third with a minimum of one, shall retire from office and the retiring Directors shall be eligible to seek reelection thereof.

Article 113 of the Company's Articles of Association provides that any Director so appointed shall hold office only until the next AGM and shall be eligible for reelection.

Cheah Tek Kuang, Rohaizad bin Darus and Dato' Abdul Rahman bin Ahmad are standing for reelection as Directors of the Company and being eligible, had offered themselves for reelection at this AGM.

The Board agreed with the Board Nomination Committee's recommendation that the above Directors are eligible to stand for reelection respectively, based on the results of their individual assessment. Each Independent Non-Executive Director has provided his annual declaration of independence in the fourth quarter of 2016.

Tan Sri Asmat bin Kamaludin was reelected as Director of the Company at the 6<sup>th</sup> AGM of the Company on 17 May 2016 to hold office until the conclusion of the 7<sup>th</sup> AGM of the Company. Tan Sri Asmat will not seek reelection as he retires as a Director of the Company at the conclusion of this 7<sup>th</sup> AGM. Hence, he will retain office until the close of the 7<sup>th</sup> AGM.

#### Explanatory Note D

Article 100 of the Company's Articles of Association provides that the Directors' remuneration shall be determined by a fixed sum by an ordinary resolution of the Company in a general meeting.

Section 230(1) of the CA 2016 provides that the fees of directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved in general meeting. In this respect, the Board agreed that the shareholders' approval shall be sought at the 7<sup>th</sup> AGM in three separate resolutions as below:

- Ordinary Resolution 4 - The Board is recommending that the shareholders approve the payment of Directors' fees for the financial year ended 31 December 2016 as disclosed in page 158 of the 2016 Annual Report.
- Ordinary Resolution 5 - On 13 January 2016, the Board has approved a reduction of 10% of Non-Executive Director's fee (i.e. RM8,000) and the reduction of the Chairman's fee by RM16,000 in view of the challenging oil and gas market for the year 2016. The Board is recommending that the shareholders approve the payment of Directors' fee based on the reduced fees structure as follows:

Period	Chairman	Non-Executive Directors
1 January 2017 to 7 <sup>th</sup> AGM	RM12,000 per month	RM6,000 per month
7 <sup>th</sup> AGM to 8 <sup>th</sup> AGM	RM144,000 per annum	RM72,000 per annum

- Ordinary Resolution 6 - The Directors' remuneration (excluding Directors' fees) comprise benefits-in-kind and other emoluments payable to the Non-Executive Directors, details of which are as follows:

Description	Chairman	Non-Executive Directors
Benefits-in-kind	Medical coverage, travel & communication, leave passage and other claimable benefits	Medical coverage, travel & communication and other claimable benefits
Other emoluments		
(i) Meeting Allowance (per meeting)	RM1,500	RM1,000
- Board		
- Board Committees		
(ii) Per Diem (per day)	RM500	RM500

Note: President/ Executive Director does not receive any Directors' Remuneration.

Payment of Non-Executive Directors remuneration will be made by the Company on a monthly basis and/or as and when incurred.

#### Explanatory Note E

Pursuant to Section 271(4)(a) of the CA 2016 shareholders are required to approve the reappointment of auditors who shall hold office until the conclusion of the next AGM and to authorise the directors to determine their remuneration thereof.

The present Auditors, Messrs. Ernst & Young has indicated their willingness to continue its services for another year.

The Board Audit Committee and the Board have considered the reappointment of Messrs. Ernst & Young as Auditors of the Company having undertaken an annual assessment of the suitability and independence of the external auditors and have collectively agreed that Messrs. Ernst & Young has met the relevant criteria prescribed by Paragraph 15.21 of the MMLR of Bursa Malaysia.

#### Explanatory Note F

In accordance with Paragraph 10.09 of the MMLR of Bursa Malaysia, a listed issuer may seek a mandate from its shareholders for Recurrent Related Party Transactions.

The Board proposes to renew the mandate granted by the shareholders of the Company at the previous AGM of the Company held on 17 May 2016.

The Proposed Renewal of Shareholders' Mandate will enable the Company and its subsidiaries to enter into any recurrent related party transactions of a revenue or trading in nature which are necessary for the day-to-day operations of the Company and its subsidiaries, involving related parties as detailed in the Circular to Shareholders dated 21 April 2017.