

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the 15<sup>th</sup> Annual General Meeting of **SCOMI GROUP BHD** (the “Company”) will be held at Ballroom 2, First Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Friday, 25 August 2017 at 10:00 am to transact the following business:

**AS ORDINARY BUSINESS:**

To consider and, if thought fit, to pass the following as Ordinary Resolutions:

1. To receive the Audited Financial Statements for the financial year ended 31 March 2017 and the Reports of the Directors and Auditors thereon.
2. To re-elect the following Directors who retire by rotation in accordance with Article 82 of the Articles of Association of the Company and who being eligible, offer themselves for re-election:
  - (i) Tan Sri Nik Mohamed Bin Nik Yaacob; (Resolution 1)
  - (ii) Dato’ Abdul Hamid Bin Sh Mohamed; and (Resolution 2)
  - (iii) Mr Foong Choong Hong. (Resolution 3)
3. To re-elect Mr Liew Willip who was appointed to the Board during the year and retires in accordance with Article 89 of the Articles of Association of the Company and who being eligible, offers himself for re-election. (Resolution 4)
4. To approve the payment of Directors’ fees amounting to RM555,397.30 for Non-Executive Directors in respect of the financial year ended 31 March 2017. (Resolution 5)
5. To approve the payment of Directors’ remuneration (excluding Directors’ fees) to Non-Executive Directors up to an amount of RM250,000.00, from 31 January 2017 until the next Annual General Meeting of the Company. (Resolution 6)
6. To re-appoint KPMG PLT as Auditors of the Company for the financial year ending 31 March 2018 and to authorise the Directors to fix their remuneration. (Resolution 7)

**AS SPECIAL BUSINESS:**

To consider and, if thought fit, to pass the following as Ordinary Resolutions:

7. **Authority to Issue and Allot Shares pursuant to Section 75 of the Companies Act, 2016** (Resolution 8)

“THAT, subject to the Companies Act, 2016, the Articles of Association of the Company and the approvals of the relevant governmental and/or regulatory authorities, where necessary, the Directors be and are hereby authorised, pursuant to Section 75 of the Companies Act, 2016, to issue and allot shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares to be issued and allotted pursuant to this resolution does not exceed ten percent (10%) of the issued and paid-up 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 of the Company.”
8. **Retention of Independent Directors**

“THAT the following Directors be and are hereby retained as Independent Directors of the Company until the conclusion of the next Annual General Meeting:
  - (i) Dato’ Mohammed Azlan Bin Hashim; and (Resolution 9)
  - (ii) Tan Sri Nik Mohamed Bin Nik Yaacob.” (Resolution 10)
9. To transact any other business of the Company for which due notice shall have been given in accordance with the Companies Act, 2016 and the Articles of Association of the Company.

**By Order of the Board**

**ONG WEI LENG (MAICSA 7053539)**  
**CHONG MEI YAN (MAICSA 7047707)**

Company Secretaries  
Petaling Jaya  
Date: 31 July 2017

**Notes:**

- (1) Other than an exempt authorised nominee, a member of the Company entitled to attend and vote at the meeting may appoint a proxy or proxies (but not more than two) to attend and vote on his/her behalf. A proxy may but need not be a member of the Company.
- (2) Where a member or an exempt authorised nominee appoints two proxies, the appointments shall be invalid unless he or it specifies the proportion of his or its holding to be represented by each proxy.
- (3) Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, who 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 with ordinary shares standing to the credit of the said Omnibus Account.
- (4) The instrument for the appointment of a proxy, in the case of an individual shall be signed by the appointor or his/her attorney duly authorised in writing and in the case of a corporation, either under seal or under the hand of an officer or attorney duly authorised. If no name is inserted in the space for the name of your proxy, the Chairman of the meeting will act as your proxy.
- (5) The instrument for the appointment of a proxy must be completed and deposited at the office of the Share Registrar of the Company, Symphony Share Registrars Sdn Bhd at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia, not less than forty-eight (48) hours before the time for holding the 15<sup>th</sup> Annual General Meeting (“AGM”) or any adjournment thereof, and in 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 instrument of proxy shall not be treated as valid.
- (6) The lodging of a completed Form of Proxy to the Share Registrar of the Company will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so. Should you subsequently decide to attend and vote in person at the meeting, you are requested to rescind your earlier appointment of proxy(ies), and notify the Share Registrar of the Company as soon as practicable.
- (7) For the purpose of determining a member who shall be entitled to attend this 15<sup>th</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Articles 57 and 58 of the Articles of Association of the Company and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991, to issue a General Meeting Record of Depositors as at 18 August 2017. Only a depositor whose name appears on the General Meeting Record of Depositors as at 18 August 2017 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his or its behalf.

**Audited Financial Statements for the financial year ended 31 March 2017 and the Reports of the Directors and Auditors thereon**

- (8) The audited financial statements under Agenda 1 are laid before the shareholders for discussion only as under the provisions of Section 340(1)(a) of the Companies Act, 2016 (the “Act”), the audited financial statements do not require a formal approval of the shareholders and hence, the matter is not put forward for voting.

**Explanatory notes on Special Businesses**

- (9) Ordinary Resolution 8 - Proposed renewal of the authority for Directors to issue and allot shares

The ordinary resolution 8 above is proposed for the purpose of granting a renewed general mandate for issuance and allotment of shares by the Company under Section 75 of the Act, and if passed, will give the Directors the authority, from the date of the 15<sup>th</sup> AGM, to issue and allot shares in the Company at any time up to an aggregate amount not exceeding ten percent (10%) of the issued and paid-up share capital of the Company for such purposes as the Directors may deem fit and in the interest of the Company (“Share Mandate”).

As at the date of this notice, the Company has not issued any new shares under the Share Mandate which was approved at the 14<sup>th</sup> AGM held on 18 August 2016 and which will lapse at the conclusion of the 15<sup>th</sup> AGM.

This Share Mandate, unless revoked or varied at a General Meeting, will expire at the conclusion of the next AGM of the Company. With this Share Mandate, the Company will have the flexibility to undertake any possible fund raising activities, including but not limited to further placing of shares, for any purpose, including funding future investment project(s), working capital and/or acquisition(s) without convening a General Meeting, which may delay the capital raising initiatives and incur relevant costs in organising the required General Meeting.

- (10) Ordinary Resolutions 9 and 10 - Retention of Independent Directors

Dato’ Mohammed Azlan Bin Hashim and Tan Sri Nik Mohamed Bin Nik Yaacob have served the Company as Independent Non-Executive Directors (“NEDs”) since 13 July 2004 for a cumulative period of over nine (9) years. Dato’ Mohammed Azlan Bin Hashim has served as the Chairman of the Board for the last three (3) years since 20 November 2013, whilst Tan Sri Nik Mohamed Bin Nik Yaacob has served as the Chairman of the Board of a listed subsidiary for the last four (4) years since 31 May 2013. Their profiles are as set out in the Profile of Directors section of the Annual Report 2017.

In line with recommendation 3.1 of the Malaysian Code on Corporate Governance 2012, the Board, through the Nomination and Remuneration Committee, has assessed the independence of Dato’ Mohammed Azlan Bin Hashim and Tan Sri Nik Mohamed Bin Nik Yaacob. The Board had at its meeting on 26 May 2017 recommended that Dato’ Mohammed Azlan Bin Hashim and Tan Sri Nik Mohamed Bin Nik Yaacob continue to act as Independent NEDs of the Company based on the following justifications:

- (a) that they continue to fulfil the criteria set out in the definition of “Independent Director” in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
- (b) that their vast experience and expertise enable the Board to discharge its duties effectively and in a competent manner;
- (c) that although they have served the Company as Independent Directors for cumulative terms of more than nine (9) years each, they have at all times acted in the best interest of the Company, providing independent views to the deliberations and decision making of the Board and Board Committees and fully understand and provide critical oversight over the Company’s objectives and strategies as well as the business operation of the Company and the Group;
- (d) they have proven to be reliable Independent Directors with their professionalism, aptitude and business outlook and perspective, devoted sufficient time and attention to their professional obligations for informed and balance decision-making and have also exercised due care and diligence during their tenure in the best interest of the Company and the shareholders; and
- (e) they have respectively provided confirmations in writing that they are independent of the Management, the Board and major shareholders and are free from any business or other relationship which could interfere with the exercise of independent judgment or the ability to act in the best interests of the Company and the Group.

The recommendations to retain Dato’ Mohammed Azlan Bin Hashim and Tan Sri Nik Mohamed Bin Nik Yaacob as Independent NEDs of the Company are also based on their exemplary leadership and dedication to their responsibilities respectively as the Chairman of the Board or the listed subsidiary and their in-depth understanding and knowledge of the Company’s business as well as the strategies and direction of the Company. Their wealth of knowledge and expertise on corporate matters of different industries and environments and their experience in various companies and capacities suit the Company’s required mix of skills and Board diversity. There is no doubt that their leadership has ensured an effective check and balance in the proceedings of the Board and the Board Committees, whilst encouraging active participations from all members of the Board. They are practical in their analysis and assessment and provide practical guidance to the Management team in strategy matters. They are also vocal in their outlook and views and provide the Board with a strong and principled voice. Their unwavering support of the Company’s initiatives in implementing different strategies in moving the Company forward and strengthening the Company’s credibility and reputation as leaders in the industries it is involved in proved to be invaluable to the Company especially in times when the general market outlook has been quite uncertain.

**Abstention from voting**

- (11) The interested Directors of the Company who are shareholders of the Company will abstain from voting on the relevant resolutions in respect of their re-election as the Directors of the Company or retention as Independent Directors of the Company at the 15<sup>th</sup> AGM.
- (12) All the NEDs of the Company who are shareholders of the Company will abstain from voting on Ordinary Resolutions 5 and 6 concerning remuneration to the NEDs at the 15<sup>th</sup> AGM.

**Personal data privacy**

- (13) By lodging of a completed Form of Proxy to the Share Registrar of the Company for appointing a proxy(ies) and/or representative(s) to attend and vote in person at the 15<sup>th</sup> AGM and any adjournment thereof, a member of the Company is hereby:
    - (i) consenting to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 15<sup>th</sup> AGM (including any adjournment thereof) and the preparation and compilation of the attendance list, minutes and other documents relating to the 15<sup>th</sup> AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”);
    - (ii) warranting that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes (“Warranty”); and
    - (iii) agreeing that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of the Warranty.
- For the purposes of this paragraph, “personal data” shall have the same meaning given in section 4 of the Personal Data Protection Act 2010.