

## NOTICE OF 5<sup>TH</sup> ANNUAL GENERAL MEETING



**NOTICE IS HEREBY GIVEN THAT** the 5th Annual General Meeting ("AGM") of QES Group Berhad ("QES" or "Company") will be held at Mauna Lani 1 & 2 Room, Holiday Inn Kuala Lumpur Glenmarie Hotel, 1 Jalan Usahawan U1/8, Seksyen U1, 40250, Shah Alam, Selangor, Malaysia on Tuesday, 25 June 2019 at 10.00 a.m. for the transaction of the following businesses:

### AS ORDINARY BUSINESS

- To receive the Audited Financial Statements of the Company and the Group for the financial year ended 31 December 2018 together with the Reports of the Directors and the Auditors thereon. **Refer Notes No. 9(a)**
- To approve the payment of Directors' fees and benefits up to an amount of RM250,000/- for the financial year ending 31 December 2019. **(Ordinary Resolution 1)**
- To re-elect the following Directors who retire by rotation pursuant to Article 92 of the Company's Articles of Association and, being eligible, offer themselves for re-election:  
(a) Mr. Liew Soo Keang **(Ordinary Resolution 2)**  
(b) Mr. Hoh Chee Mun **(Ordinary Resolution 3)**
- To re-appoint Messrs. Moore Stephens Associates PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 4)**

### AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary resolution and Special resolution:

- Authority to issue and allot shares** **(Ordinary Resolution 5)**  
"THAT subject always to the Companies Act, 2016 ("the Act"), the Company's Articles of Association, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of the relevant governmental or regulatory authorities where such approvals shall be necessary, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act to allot and issue shares in the Company to such persons, 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 issued does not exceed 10% of the total number of issued shares of the Company and for the time being **AND THAT** the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities **AND THAT** such authority shall continue in force until the conclusion of the next AGM of the Company after the approval was given or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier."
- Proposed Adoption of the New Constitution of the Company** **(Special Resolution)**  
"THAT approval be and is hereby given to revoke the existing Memorandum and Articles of Association ("M&A") of the Company with immediate effect and in place thereof, the proposed new Constitution of the Company as set out in the Circular to Shareholders dated 24 April 2019 be and is hereby adopted as the Constitution of the Company **AND THAT** the Directors of the Company be and are hereby authorised to assent to any modification, variation and/or amendment as may be required by the relevant authorities and to do all acts and things and take all such steps as may be considered necessary to give full effect to the Proposed Adoption of the New Constitution."
- To transact any other business for which due notice shall have been given.

### BY ORDER OF THE BOARD,

**ANDREA HUONG JIA MEI (MIA 36347)**

Company Secretary

Kuala Lumpur

24 April 2019

### Notes:

- A member of the Company entitled to attend, speak and vote at this meeting is entitled to appoint any person as his/her proxy to attend, speak and vote instead of him/her. There shall be no restriction as to the qualification of proxy.
- A member may appoint up to 2 proxies. Where 2 proxies are appointed, the member shall specify the proportion of his shareholdings to be represented by each proxy, failing which the appointment shall be invalid.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may 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. The appointment of 2 or more proxies in respect of any particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
- Where a member of the Company is an Exempt Authorised Nominee ("EAN") as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in 1 securities account ("omnibus account"), there is no limit to the number of proxies which the EAN may appoint in respect of each omnibus account it holds.
- In the case of a corporate body, the proxy appointed must be in accordance with the Company's Articles of Association, and the instrument appointing a proxy shall be given under the Company's Common Seal or signed by the officer or attorney so authorised.
- The Proxy Form must be deposited at the Share Registrar's office, Mega Corporate Services Sdn. Bhd at Level 15-2, Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, not less than 48 hours before the time set for the meeting or any adjournment thereof.
- For purposes of determining who shall be entitled to attend, speak and vote at this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn Bhd to make available to the Company pursuant to Article 47(c) of the Company's Articles of Association and Rule 7.16(2) of the ACE Market Listing Requirements, a Record of Depositors as at 18 June 2019.
- Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements, all the resolutions set out in the notice of general meeting will be put to vote by way of poll.
- Explanatory Notes on Ordinary and Special Resolution:**
  - Audited Financial Statements for the financial year ended 31 December 2018**  
The Audited Financial Statements are for discussion only under Agenda item No. 1, as it does not require shareholders' approval under the provisions of Section 340(1)(a) of the Companies Act, 2016. Hence, this Agenda is not being put forward for voting by the shareholders of the Company.
  - Ordinary Resolutions 2 and 3**  
Article 92 of the Company's Articles of Association provides that 1/3 of the Directors of the Company for the time being shall retire from office at each AGM of the Company. With the current Board size, 2 Directors are to retire pursuant to Article 92 of the Company's Articles of Association.
  - Ordinary Resolution 5 - Authority to issue and allot shares**  
Resolution No. 5 is to seek a renewal of the general mandate for the issue of new ordinary shares pursuant to Sections 75 and 76 of the Companies Act, 2016 which was approved by shareholders at last year's AGM ("the previous mandate"). As at the date of this Notice, the Company did not allot any shares pursuant to the previous mandate. The mandate, if passed will provide flexibility for the Company and empower the Directors to issue and allot new shares in the Company up to an amount not exceeding 10% of the total number of issued shares of the Company. This would eliminate any delay arising from and eliminate costs involved in convening a general meeting to obtain approval of the shareholder for such issuance of shares. The authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier.
  - Special Resolution**  
**Proposed Adoption of the New Constitution of the Company**  
The Proposed Adoption of the New Constitution is primarily to bring the Constitution of the Company in line with the new provisions of the Act which came into force on 31 January 2017, amendments made to the Listing Requirements and to enhance administrative efficiency.  
The Board proposes the adoption of a new Constitution as the amendments required to be made are numerous and would entail substantial amendments to the existing M&A of the Company.  
As directed by Bursa Securities, all listed issuers have to amend their Constitution by 31 December 2019. Please refer to the Circular to Shareholders dated 24 April 2019 which is circulated together with this Annual Report.