

# NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING



NOTICE IS HEREBY GIVEN THAT the Twenty-Second (22nd) Annual General Meeting of Merge Energy Bhd will be held at The Boardroom of the Company, No. 2 Jalan Apollo U5/190, Bandar Pinggiran Subang, Seksyen U5, 40150 Shah Alam, Selangor Darul Ehsan on **Thursday, 19 September 2019 at 10.00 a.m.** for the following purposes :

**MERGE ENERGY BHD** (420096-X)  
(Incorporated in Malaysia)

## AGENDA

### As Ordinary Business

- To consider the Audited Financial Statements of the Company and the Group for the financial year ended 31 March 2019 together with the Reports of the Directors and Auditors thereon.  
**Refer to Explanatory Note A**
- To re-elect Dato' Kamarulzaman bin Jamil, who retire pursuant to Article 105 of the Memorandum and Articles of Association of the Company and being eligible, offer himself for re-election.  
**Refer to Explanatory Note B**
- To re-elect the following Directors who retire pursuant to Article 112 of the Memorandum and Articles of Association of the Company and being eligible, offer themselves for re-election :
  - Dato' Hj Mohamad Haslah bin Mohamad Amin
  - Dato' Tan Gee Swan @ Tan Suan Ching
  - Dato' Lee Tian Hock
  - Puan Czarina Alia binti Abdul Razak
  - Tn Hj Mohamad Nor bin Hj Abas
  - Encik Shahrizam bin A Shukor

**Ordinary Resolution 1**  
**Ordinary Resolution 2**  
**Ordinary Resolution 3**  
**Ordinary Resolution 4**  
**Ordinary Resolution 5**  
**Ordinary Resolution 6**  
**Ordinary Resolution 7**

### Refer to Explanatory Note C

- To approve the payment of Directors' fees and benefits for an aggregate amount up to RM260,000 from the conclusion of this meeting up till the conclusion of the next Annual General Meeting of the Company.  
**Refer to Explanatory Note D**
- To re-appoint Baker Tilly Monteiro Heng PLT as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.  
**Refer to Explanatory Note E**

**Ordinary Resolution 8**  
**Ordinary Resolution 9**

### As Special Business

- To consider and if thought fit, to pass the following resolution as Ordinary Resolution :

#### Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016

"**THAT**, subject to the Companies Act 2016, the Company's Constitution and approval from Bursa Malaysia Securities Berhad and other Governmental or regulatory bodies, full authority be and is hereby given to the Board of Directors pursuant to Sections 75 and 76 of the Companies Act 2016 to allot and issue shares in the Company at any time upon such terms and conditions and for such purposes as the Board of Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being **AND THAT** such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

#### Refer to Explanatory Note F

**Ordinary Resolution 10**

- To transact any other business for which due notice shall have been given in accordance with the Companies Act 2016 and the Memorandum and Articles of Association of the Company.

By Order of the Board

**HANI SYAMIRA ABDUL HAMID**  
LS0009872  
Group Company Secretary

Shah Alam, Malaysia  
26 July 2019

## Explanatory Notes

### A Audited Financial Statements for the Financial Year Ended 31 March 2019

This agenda item is meant for discussion only as under the provisions of section 266(1)(a), section 340(1)(a) of the Companies Act 2016 (CA2016) and the Memorandum & Articles of Association of the Company, the audited financial statements do not require formal approval of shareholders, and hence, the matter will not be put forward for voting.

### B Ordinary Resolution 1

#### Re-election of Director Pursuant to Article 105 of the Memorandum and Articles of Association (M&A)

Article 105 of the M&A expressly stated that at every AGM, at least one-third (1/3) of the Directors for the time being shall retire from office. In addition, Article 105 of the M&A stated that all Directors shall retire from office once at least in each three (3) years. A retiring Director shall be eligible for re-election. Dato' Kamarulzaman bin Jamil being eligible, has offered himself for re-election at the 22nd AGM pursuant to Article 105 of the M&A. The Board is satisfied that in consideration of the wealth of expertise and experience which the retiring Director possesses, he will continue to bring sound judgement and valuable contribution to the board deliberations through active participation in discussions and decision making by the Board. The Nomination Committee (NC) and the Board were also satisfied that the retiring Independent Non-Executive Director has maintained his independence in the financial period under review. The Board has recommended for Dato' Kamarulzaman bin Jamil to be re-elected at the 22nd AGM.

### C Ordinary Resolution 2 to 7

#### Re-election of Directors Pursuant to Article 112 of the M&A

Article 112 of the M&A provided that any Directors who are appointed during the (financial) year shall hold office only until the next AGM and shall then be eligible for re-election. The Board is satisfied that in consideration of the wealth of expertise and experience which the retiring Directors possess, they will continue to bring sound judgement and valuable contribution to the board deliberations through active participation in discussions and decision making by the Board. The Nomination Committee (NC) and the Board were also satisfied that the retiring Independent Non-Executive Directors have maintained their independence in the financial period under review. All Directors standing for re-elections have abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant NC and Board meetings and will continue to abstain from deliberations and decisions on their own eligibilities to stand for re-elections at this AGM.

### D Payment of Directors' Fees & Benefits

Pursuant to Section 230(1) of the Companies Act 2016, fees and benefits payable to the Directors of the Company will have to be approved by the shareholders at a general meeting. The Company is requesting shareholders' approval for the payment of Directors' fees and benefits for the period commencing from 19 September 2019 up till the next Annual General Meeting of the Company. The Remuneration comprises fees and other benefits-in-kind payable to the Directors. If passed, it will allow the Company to make payment of the Remuneration to Directors on a monthly basis up till the next Annual General Meeting of the Company.

### E Re-appointment of Auditors

The AC was satisfied with the suitability of BTMH based on the quality of audit, performance, competency and sufficiency of resources the external audit team provided to the Merge Energy Group. The AC was also satisfied in its review that the provisions of non-audit services by BTMH during the period under review did not impair BTMH's objectivity and independence. The Board had approved the AC's recommendation for the shareholders' approval to be sought at the 22nd AGM on the re-appointment of BTMH as external auditors of the Company for the financial year ending 31 March 2020. The present external auditors, BTMH, have indicated their willingness to continue their services for the next financial year.

### F Authority to Issue Shares pursuant to section 75 and 76 CA2016

The existing general mandate for the authority to issue shares was approved by the shareholders of the Company at the 21st Annual General Meeting held on 6 September 2018. The Company did not issue any new shares pursuant to the general mandate obtained at the 21st Annual General Meeting. The proposed Ordinary Resolution 10 is to renew the authority granted by the shareholders of the Company at the 21st Annual General Meeting. The proposed mandate, if passed, will give the Directors, authority to issue shares of not more than 10% of the total number of issued shares for such purposes as the Directors consider would be in the best interests of the Company. The general mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares in the Company for any fund raising activities, including but not limited to the placing of shares, for working capital, funding future investments and/or funding of strategic development of the Group. The renewal of the general mandate is sought to avoid any delay arising from and cost in convening a general meeting to obtain approval of the shareholders for such issuance of shares, up to an amount not exceeding in total ten percent (10%) of

the total number of issued shares of the Company, as the Directors consider appropriate in the best interest of the Company. The authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.

## Notes on Proxy

- A Member entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to exercise all or any of his rights to attend, participate, speak and vote at the Meeting on his/her behalf. Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy. A proxy may, but need not, be a Member of the Company.
- A member may appoint any person to be his/her proxy without any restriction as to the qualification of such person.
- Where a Member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991 (SICDA), he/she may appoint not more than two (2) proxies in respect of each Securities Account he/she holds with ordinary shares of the Company standing to the credit of the said Securities Account to attend and vote at a meeting of the Company instead of him/her.
- Where a Member of the Company is an Exempt Authorised Nominee as defined under SICDA which holds ordinary shares 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 PROVIDED THAT each beneficial owner of ordinary shares, or where the ordinary shares are held on behalf of joint beneficial owners, such joint beneficial owners, shall only be entitled to instruct the Exempt Authorised Nominee to appoint not more than two (2) proxies to attend and vote at a general meeting of the Company instead of the beneficial owner or joint beneficial owners.
- The instrument appointing a proxy shall be in writing signed by the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of two (2) authorised officers, one of whom shall be a Director, or of its attorney duly authorised. Any alteration to the instrument appointing a proxy must be initialled.
- The Proxy Form and the Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited at the registered office of the Company at No. 2 Jalan Apollo U5/190, Bandar Pinggiran Subang, Seksyen U5, 40150 Shah Alam, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding this AGM or any adjournment thereof.
- Only members whose names appear in the Record of Depositors as at 12 September 2019 shall be entitled to attend, speak and vote at this Meeting or appoint proxy(ies) to attend, speak and vote on his/her behalf.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the AGM of the Company shall be put to vote by way of a poll.

## STATEMENT ACCOMPANYING THE NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

### Details of Directors who are standing for re-election

The details of the Directors' interest in the securities of the Company as at 8 July 2019 are stated in the Analysis of Shareholdings section in the Company's Annual Report.

### Personal Data Protection Measures

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company: (i) consents to the processing of the member's personal data by the Company (or its agents): (a) for processing and administration of proxies and representatives appointed for the AGM; (b) for preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (which includes any adjournments thereto); and (c) for the Company's (or its agents') compliance with any applicable laws, listing rules, regulations, codes and/or guidelines (collectively, the "Purposes"), (ii) undertakes and warrants that he or she has obtained such proxy(ies) and/or representative(s)' prior consent for the Company's (or its agents') processing of such proxy(ies) and/or representative(s)' personal data for the Purposes, and (iii) agrees that the member will fully indemnify the Company for any penalties, liabilities, legal suits, claims, demands, losses and damages as a result of the member's failure to provide accurate and correct information of the personal data or breach of the member's undertaking and/or warranty as set out herein.

NOTE : the term "processing" and "personal data" shall have the same meaning as defined in the Personal Data Protection Act 2010.

### Annual Report 2019 & Corporate Governance Report

The Annual Report 2019 and Corporate Governance Report may be downloaded at this link <http://www.merge-energy.com.my>