



NOTICE IS HEREBY GIVEN that the **FIFTY-EIGHTH ANNUAL GENERAL MEETING OF SELANGOR DREDGING BERHAD** will be held at the Ballroom, Hotel Maya Kuala Lumpur, 138, Jalan Ampang, 50450 Kuala Lumpur on Tuesday, 27 August 2019 at 9.00 am for the following purposes:

1. To receive the Financial Statements for the year ended 31 March 2019 and the Directors' and Auditors' Reports thereon. **(please refer to Explanatory Note A)**
2. To approve the payment of Dividend of 2.0 sen (2018: 2.5 sen) for the year ended 31 March 2019. **(Resolution 1)**
3. To approve the payment of Directors' Fees amounting to RM320,170 (2018: RM320,862) for the year ended 31 March 2019. **(Resolution 2)**
4. To approve the payment of Directors' Benefits (excluding Directors' Fees) to the Non-Executive Directors of up to RM20,000 from 1 September 2019 until the next annual general meeting of the Company. **(Resolution 3)**
5. To re-elect Ms Teh Lip Pink who retires by rotation pursuant to Article 80 of the Company's Constitution. **(Resolution 4)**
6. To re-elect the following directors who were appointed during the year and retire pursuant to Article 88 of the Company's Constitution: -
 - (a) Mr Tony Lee Cheow Fui **(Resolution 5)**
 - (b) Puan Selma Enolil binti Mustapha Khalil **(Resolution 6)**
7. To re-appoint BDO as Auditors of the Company under the new practice name of BDO PLT and authorise the Directors to determine their remuneration. **(Resolution 7)**

AS SPECIAL BUSINESS

8. Authority to Allot Shares

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

"THAT, subject always to the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby authorised pursuant to Section 75 of the Companies Act 2016 to allot shares in the Company at any time until the conclusion of the next Annual General Meeting upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that aggregate number of shares to be issued pursuant to this Resolution does not exceed 10% of the total number of issued shares of the Company for the time being." **(Resolution 8)**

9. Proposed Adoption of New Constitution of the Company

To consider and if thought fit, to pass the following Special Resolution, with or without modifications: -

"THAT the new set of the Constitution of the Company in the form and manner as set out in Appendix 1 attached herewith be and is hereby approved and adopted as the new Constitution of the Company, in substitution for, and to the exclusion of, the existing Constitution of the Company AND THAT the Directors be and are hereby authorised to do all such acts and things and to take such steps that are necessary to give effect to the adoption of the new Constitution of the Company." **(Special Resolution 1)**

10. To transact any other business which due notice shall have been received.

By Order of the Board

WON SEE YEE
SEOW FEI SAN
Secretaries

Kuala Lumpur
29 July 2019

NOTICE OF DIVIDEND PAYMENT

Subject to the approval of the shareholders at the Annual General Meeting, a Single Tier Dividend of 2.0 sen will be paid on 13 September 2019 to all shareholders whose names appear in the Record of Depositors and the Register of Members of the Company at the close of business on 30 August 2019.

A Depositor shall qualify for entitlement to the dividend only in respect of:

- (a) Shares transferred into the Depositor's Securities Account on or before 4.30 pm on 30 August 2019 in respect of transfers; and
- (b) Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the rules of the Bursa Malaysia Securities Berhad.

Notes:

- (i) Only members whose names appear in the Record of Depositors as at 19 August 2019 shall be regarded as members and entitled to attend, speak and vote at the Annual General Meeting.
- (ii) A member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy to attend, speak and vote in his stead. A proxy may but need not be a member of the Company.

- (iii) A member of the Company may appoint not more than two (2) proxies to attend and vote at the Annual General Meeting. Where the member of the Company appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportion of his shareholding to be represented by each proxy.
- (iv) Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
- (v) Where a member of the Company is an exempt authorised nominee which holds ordinary share 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.
- (vi) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
- (vii) The instrument appointing a proxy and the power of attorney or other authority (if any), under which is signed or notorially certified copy thereof, must be deposited at the Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, Tricor Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No.8 Jalan Kerinchi, 59200 Kuala Lumpur, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting.

Explanatory Notes:

Note A – The shareholders' approval on the Audited Financial Statements are not required pursuant to Section 340 (1) of the Companies Act 2016 ("Act"), hence, the matter will not be put for voting.

Resolutions 2 & 3 – Pursuant to Section 230 (1) of the Act, the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at general meeting. In this respect, the Board agreed that the shareholders' approval shall be sought at the Fifty-Eighth Annual General Meeting ("AGM") on the Directors' fees and benefits in two (2) separate resolutions as below:-

- Resolution 2 on payment of Directors' fees in respect of the financial year ended 31 March 2019.
- Resolution 3 on payment of Directors' benefits (excluding Directors' fees) from 1 September 2019 until the next AGM.

The current structure for Directors' benefits of the Company is basically the meeting allowances for Board/Board Committee meetings attended. The Directors' benefits from 1 September 2019 until the conclusion of the next AGM is estimated not to exceed RM20,000. The Board will seek shareholders' approval at the next AGM in the event the amount of the Directors' benefits is insufficient due to an increase in Board/Board Committee meetings and/or increase in Board size.

Details of the Directors' Fees and benefits paid to the Non-Executive Directors are disclosed on pages 32 to 41 of the Overview Statement on Corporate Governance in the Annual Report 2019.

Resolution 8 – The proposed Ordinary Resolution 8, if passed, will give the Directors of the Company, from the date of the Fifty-Eighth AGM, authority to allot shares from the unissued capital of the Company for such purposes as the Directors may deem fit and in the interest of the Company. The authority, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next AGM of the Company.

As at the date of printing of the Annual Report, no new shares were issued by the Company pursuant to the authority granted to the Directors at the Fifty-Seventh AGM held on 30 August 2018 and the said authority will lapse at the conclusion of the Fifty-Eighth AGM.

The authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, repayment of bank borrowing, if any, for purpose of funding future investment project(s), working capital and/or acquisitions.

**Special Resolution 1
Proposed Adoption of New Constitution of the Company**

The proposed Special Resolution 1, if passed, will give full effect to the proposed adoption of new Constitution of the Company by substituting the existing Constitution with the new set of Constitution as set out in Appendix 1.

The rationale of the proposed amendments to the existing Constitution is to ensure continued compliance and to bring the Constitution of the Company in line with the following laws and regulations: -

- (i) Amended Bursa Malaysia Securities Berhad Main Market Listing Requirements which was issued on 29 November 2017; and
- (ii) Companies Act 2016 which came into effect on 31 January 2017.