



**ZECON**

**ZECON BERHAD**  
198501002015 (134463-X)  
(Incorporated in Malaysia)

**NOTICE OF THE THIRTY-FOURTH ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the Thirty-Fourth (34th) Annual General Meeting ("AGM") of Zecon Berhad ("Zecon" or "the Company") will be held at Conference Room, 8th Floor, Menara Zecon, No. 92, Lot 393, Section 5 KTLTD, Jalan Satok, 93400 Kuching, Sarawak on Thursday, 28 November 2019 at 3.00 p.m. for the following purposes:

**AGENDA**

- To receive the Audited Financial Statements for the financial year ended 30 June 2019 and the Reports of the Directors and Auditors thereon. (See Note 1)
- To approve the payment of Directors' fees of RM134,400-00 for the financial year ended 30 June 2019. Resolution 1
- To approve the payment of Directors' remuneration (excluding Directors' fees) to the Non-Executive Chairman and Non-Executive Directors of the Company up to an amount of RM600,000-00 for the period from 29 November 2019 until the next AGM of the Company. Resolution 2
- To re-elect the following Directors who retire in accordance with Article 87 of the Company's Articles of Association and being eligible, offer themselves for re-election:- Resolution 3  
 i) Datuk Haji Zainal Abidin bin Haji Ahmad Resolution 4  
 ii) Haji Szali bin Md Salleh Resolution 5
- To elect Haji Jamil bin Jamaludin who retire in accordance with Article 92 of the Company's Articles of Association and being eligible, offers himself for re-election. Resolution 5
- To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. Resolution 6

**As Special Business**

To consider and if thought fit, pass the following resolutions as Ordinary/Special Resolutions:-

- Ordinary Resolution**  
- **Authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 ("Act")** Resolution 7  
 "THAT subject always to the Act, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company's Articles of Association and the approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Act to issue and allot new shares in the Company at any times at such price, upon such terms and conditions, for such purpose and to such person(s) whomsoever as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company, provided that the 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 and THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued. This authority unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.
- Ordinary Resolution**  
- **Proposed retention of Independent Non-Executive Directors**  
 (a) "THAT Dato' Abdul Majit bin Ahmad Khan who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, continue to serve as an Independent Non-Executive Director until the conclusion of the next AGM. Resolution 8  
 (b) "THAT Mr. Richard Kiew Jiat Fong who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, continue to serve as an Independent Non-Executive Director until the conclusion of the next AGM." Resolution 9
- Special Resolution**  
- **Proposed Adoption of the New Constitution** Resolution 10  
 "THAT approval be and is hereby given to alter or amend the whole of the existing Constitution of the Company by the replacement thereof with a new Constitution of the Company as set out in Appendix I of the Circular to Shareholders dated 29 October 2019 with immediate effect AND THAT the Board of Directors of the Company be and is hereby authorised to assent to any conditions, modifications and/or amendments as may be required by any 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 foregoing."
- To transact any other ordinary business of which due notice shall have been given in accordance with the Company's Articles of Association and the Companies Act 2016.

By order of the Board

**Koh Fee Lee (MAICSA 7019845)**  
**Voon Jan Moi (MAICSA 7021367)**  
Company Secretaries

Kuching

Dated: 29 October 2019

Notes:-

**1. Audited Financial Statements for the Financial Year Ended 30 June 2019**  
The Audited Financial Statements under item 1 of the Agenda are laid in accordance with Section 340(1)(a) of the Companies Act, 2016 for discussion only. They do not require shareholders' approval and hence, will not put forward for voting by shareholders of the Company.

**2. Appointment of Proxy**

- In respect of deposited securities, only members whose names appeared in the Record of Depositors as at 22 November 2019 shall be eligible to attend, speak and vote at the Meeting.
- A member entitled to attend and vote at this meeting is entitled to appoint more than two (2) proxies to attend and vote in his stead. Where a member appoints more than 2 proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the Member to speak at the meeting. (Where a Member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- Where a Member of the Company is an exempt authorised nominee 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. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A (1) of SICDA.
- Where a Member or an authorised nominee or an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised.
- Any alteration to the instrument appointing a proxy must be initiated. The instrument appointing a proxy must be deposited at the registered office of the Company at 8th Floor, Menara Zecon, No. 92, Lot 393, Section 5 KTLTD, Jalan Satok, 93400 Kuching, Sarawak not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.

**3. Explanatory Notes on Special Business**

- Ordinary Resolution 7 - Authority to Issue Shares pursuant to Sections 75 and 76 of the Act**  
The proposed Ordinary Resolution 7, if passed, will empower the Directors to issue shares from time to time provided that the aggregate nominal value of the shares to be issued during the preceding twelve (12) months does not exceed 10% of the total number of issued shares of the Company for the time being, for such purposes as the Directors consider would be in the interests of the Company. This mandate unless revoked or varied at a general meeting will expire at the next AGM. The general mandate sought for issue of securities is a renewal of the mandate that was approved by the shareholders on 29 November 2018. The Company had utilised the earlier mandate for the private placement of 13,101,675 ordinary shares of the Company on 15 July 2019 and raised proceeds of RM3,275,418.75. The status of utilization of proceeds as at 15 October 2019 is as follows.

Proposed utilisation of proceeds	Proceeds raised RM'000	Utilised as at 30.09.2019 RM'000	Timeframe for utilisation
Working Capital	3,195	3,195	Within 6 months
Expenses in relation to the Private Placement	80	80	Upon completion of Private Placement
<b>Total</b>	<b>3,275</b>	<b>3,275</b>	

The general mandate, if granted, will provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercise including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, acquisition and/or for issuance of shares as settlement of purchase consideration.

- Ordinary Resolutions 8 and 9 - Proposed Retention of Independent Non-Executive Directors**  
The Resolutions 8 and 9 are proposed pursuant to Practice 4.2 of the Malaysian Code of Corporate Governance 2017, and if passed, will allow Dato' Abdul Majit bin Ahmad Khan and Mr. Richard Kiew Jiat Fong to be retained and continue to act as Independent Non-Executive Directors of the Company. The Remuneration & Nomination Committee had assessed the independence of Dato' Abdul Majit bin Ahmad Khan and Mr. Richard Kiew Jiat Fong and recommended that they continue to act as Independent Non-Executive Directors of the Company based on the following justifications:  
 a) They have met the criteria of an Independent Director pursuant to the Main Market Listing Requirement of Bursa Securities.  
 b) They being highly qualified and calibre persons has provided the Board with diverse set of experience, skill and expertise in exercising their roles and responsibilities.  
 c) They have actively participated in Board deliberation, discharged their duties with reasonable care, skills and diligent; bring independent thought and experience and provided objectivity in decision making. They have devoted sufficient time and attention to their responsibilities as an Independent Director of the Company.  
 d) They have exercised due care in all undertakings of the Company and had carried out their fiduciary duties in the interest of the Company and minority shareholders during their tenure as an Independent Director.  
 e) They have given their consent to continue as Independent Directors of the Company. The Board with the recommendation of the Remuneration & Nomination Committee propose that the shareholders vote in favour of the resolutions for Dato' Abdul Majit bin Ahmad Khan and Mr. Richard Kiew Jiat Fong to continue to serve as Independent Non-Executive Directors of the Company. The Proposed Resolutions 8 and 9, if passed, will enable Dato' Abdul Majit bin Ahmad Khan and Mr. Richard Kiew Jiat Fong to continue to act as Independent Non-Executive Director of the Company. Otherwise, they will be re-designated as Non-Independent Non-Executive Directors and relinquish their positions as the Independent Non-Executive Director of the Company upon the conclusion of the 34th AGM.

- Special Resolution**  
**Resolution 10 - Proposed Adoption of the New Constitution**  
The Special Resolution, if passed will streamline the Company's Constitution with the new provisions of the Companies Act 2016, amendments made to Main Market Listing Requirements and enhance administrative efficiency. The Board has proposed that the existing Memorandum & Articles of Association be revoked in its entirety and the proposed new Constitution of the Company as set out in Appendix I in the Circular to Shareholders dated 29 October 2019 be adopted as the new Constitution of the Company. The Proposed Adoption shall take effect once it has been passed by a majority or not less than 75% of such members who are entitled to vote and do vote in person or by proxy at the 34th AGM.

**4. Statement Accompanying Notice of 34th Annual General Meeting**

The Director who is standing for election at the 34th AGM is Haji Jamil bin Jamaludin.

The details of Haji Jamil bin Jamaludin is set out in the Profile of Directors on pages 12 to 16 of this Annual Report.