



# COASTAL CONTRACTS BHD

(Company No. 517649-A)  
(Incorporated in Malaysia)

## NOTICE OF THE NINETEENTH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Nineteenth Annual General Meeting of the Company will be held at the Registered Office, Block G, Lot 3B, Bandar Leila, 90000 Sandakan, Sabah on 26 November 2019 at 10:00 am to transact the following business:

### AGENDA

#### ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 30 June 2019 together with the Reports of the Directors and Auditors thereon.
- To approve the payment of fees and benefits to Non-Executive Directors, of up to but not exceeding the amount of RM120,000 for the period from 27 November 2019 until the next Annual General Meeting of the Company. **Resolution 1**
- To re-elect the following Directors:
  - Mr Jacob O Pang Su Yin retiring pursuant to Article No. 91 of the Company's Constitution and being eligible, offers himself for re-election. **Resolution 2**
  - Mr Loh Thian Sang @ Lo Thian Siang retiring pursuant to Article No. 91 of the Company's Constitution and being eligible, offers himself for re-election. **Resolution 3**
- To re-appoint Messrs Crowe Malaysia PLT (converted from a conventional partnership, Crowe Malaysia) as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. **Resolution 4**

#### SPECIAL BUSINESS

- To consider and if thought fit, to pass the following resolution with or without modification:
 

**ORDINARY RESOLUTION**  
**Proposed retention of Independent Non-Executive Director.** **Resolution 5**

" THAT subject to the passing of Resolution 3, approval be and is hereby given for Mr Loh Thian Sang @ Lo Thian Siang who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years, to be retained and to continue to act as an Independent Non-Executive Director of the Company until the next Annual General Meeting"
- To consider and if thought fit, to pass the following resolution:
 

**ORDINARY RESOLUTION**  
**Authority to issue shares pursuant to the Companies Act 2016** **Resolution 6**

" THAT subject always to the Companies Act 2016, ("the Act"), the Constitution of the Company and approvals from Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to the Act, to issue and allot shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares 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 for the listing of and quotation for the additional shares so issued on Bursa Securities; AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."
- To consider and if thought fit, to pass the following resolution:
 

**ORDINARY RESOLUTION**  
**Proposed Renewal of Share Buy-Back Authority** **Resolution 7**

" THAT subject to the provisions of the Companies Act 2016 ("the Act"), the Constitution of the Company and the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), all other applicable laws, rules, regulations, and orders and the approvals of all relevant regulatory authorities, the Company is hereby authorised to purchase and/or hold such number of ordinary shares ("shares") in the Company as may be determined by the Directors from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company, provided that the aggregate number of shares to be purchased and/or held pursuant to this resolution shall not exceed ten percent (10%) of the total number of issued shares in the ordinary share capital of the Company at any point in time and that an amount of the funds not exceeding the retained earnings of the Company, be utilised for Share Buy-Back; AND THAT such Shares purchased may be retained as treasury shares and/or distributed as dividends and/or resold on the market of Bursa Securities and/or be cancelled, as the Directors may deem fit and expedient in the interest of the Company; AND THAT such authority hereby given shall take effect immediately and shall continue to be in force until:

  - the conclusion of the next Annual General Meeting of the Company at which time it shall lapse unless by a resolution passed at the meeting, the authority is renewed; or
  - the expiration of the period within which the next Annual General Meeting of the Company after that date is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
  - revoked or varied by a resolution passed by the Shareholders in a general meeting, whichever is the earlier;

AND FURTHER THAT the Directors be hereby authorised to do all such acts and things as may be required by the relevant authorities (including executing any relevant documents) as they may consider expedient or necessary to complete and give effect to the aforesaid authorisation."
- To consider and if thought fit, to pass the following resolution with or without modification:
 

**SPECIAL RESOLUTION**  
**Proposed Adoption of a New Constitution of the Company** **Resolution 8**

" THAT approval be and is hereby given for the Company to revoke the existing Constitution of the Company comprising the Memorandum and Articles of Association of the Company. AND THAT in replacement thereof, a proposed new Constitution as set out in Part B, Appendix II of the Circular to Shareholders dated 29 October 2019 be hereby adopted as the new 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."
- To transact any other business of the Company of which due notice has been given to the Company.

#### GENERAL MEETING RECORD OF DEPOSITORS

**NOTICE IS ALSO HEREBY GIVEN THAT** for the purpose of determining a member who shall be entitled to attend the Nineteenth Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article No. 49 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositors as at 20 November 2019. Only a depositor whose name appears on the Record of Depositors as at 20 November 2019 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his behalf.

By Order of the Board

Dorothy Luk Wei Kam  
Ho Ling Ling  
Company Secretaries

Kota Kinabalu, Sabah  
Dated: 29 October 2019

#### Notes:

- A member entitled to attend and vote at the meeting is entitled to appoint:
  - at least one (1) proxy but not more than two (2) proxies to attend and vote instead of him; or
  - multiple proxies where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account").

A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy and there shall be no restriction as to the qualification of the proxy.
- Where a member appoints two (2) proxies to attend and vote at the same meeting, the appointment shall be invalid unless he specifies the proportion of his shareholding to be represented by each proxy.
- The instrument appointing a proxy shall be in writing and in the case of an individual shall be signed by the appointer or by his attorney and in the case of a corporation shall be either under its common seal or signed by its attorney or by an officer on behalf of the corporation.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, he may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account he holds with ordinary shares of the Company standing to the credit of the said securities account.
- The instrument appointing a proxy must be left at the Registered Office of the Company at Block G, Lot 3B, Bandar Leila, 90000 Sandakan, Sabah, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which it is to be used, and in default shall not be treated as valid.

#### Explanatory Notes

- Audited Financial Statements for the financial year ended 30 June 2019**  
Agenda 1 is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, it will not be put forward for voting.
- Ordinary Resolution – Proposed Retention of Independent Non-Executive Director**  
In relation to the proposed Resolution 5, the Board of Directors has via the Nomination Committee assessed the independence of Mr Loh Thian Sang @ Lo Thian Siang who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years, and recommended him to continue to act as Independent Non-Executive Director of the Company based on the following justifications:-
  - He fulfils the criteria of an Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
  - He has extensive experience and knowledge in the marine industry which are relevant to the Group's activities;
  - He has demonstrated his capability as an independent director and provided numerous constructive suggestions to the Board; and
  - His level of independence and competency has not been impaired with time.

Subject to the passing of the proposed Resolution No. 3, the proposed Resolution No. 5, if passed, will enable Mr Loh Thian Sang @ Lo Thian Siang to continue in office as Independent Non-Executive Director until the next Annual General Meeting. In accordance with Practice 4.2 of the Malaysian Code on Corporate Governance, the retention of an independent director who has served the Company for a cumulative term of more than 12 years as independent director is subject to shareholders' approval via a two-tier voting process.
- Ordinary Resolution - Authority to issue shares pursuant to the Companies Act 2016**  
The proposed Resolution No. 6, if passed, shall give power to the Directors to issue ordinary shares in the capital of the Company up to an aggregate amount not exceeding 10% of the total number of issued shares in the ordinary share capital of the Company for the time being. This authority unless revoked or varied at a general meeting will expire at the next Annual General Meeting. This general mandate is a renewal of the mandate that was approved by the shareholders on 28 November 2018. The Company did not utilise the mandate that was approved last year. The renewal of the general mandate is to facilitate the Company to raise funds expeditiously for the purpose of funding future investment, working capital and/or acquisition without having to convene a general meeting to seek shareholders' approval when such opportunities or needs arise.
- Ordinary Resolution - Proposed Renewal of Share Buy-Back Authority**  
The proposed Resolution No. 7, if passed, shall empower the Directors of the Company to buy back and/or to hold the shares of the Company not exceeding 10% of the total number of issued shares in the ordinary share capital of the Company from time to time being quoted on Bursa Malaysia Securities Berhad as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad upon such terms and conditions as the Directors may deem fit and expedient in the interests of the Company. Shareholders are directed to refer to Part A of the Circular to Shareholders dated 29 October 2019 for more information.
- Proposed Adoption of A New Constitution of the Company**  
The proposed Resolution No. 8, if passed, will streamline the existing Constitution comprising the Memorandum and Articles of Association of the Company with the Companies Act 2016, which came into force on 31 January 2017, and to align to amendments made to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, as well as for better clarity and to enhance administrative efficiency. Shareholders are directed to refer to Part B of the Circular to Shareholders dated 29 October 2019 for more information.