



Hap Seng Consolidated Berhad 197601000914 (26877-W)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 44th annual general meeting of Hap Seng Consolidated Berhad will be conducted by way of a full virtual meeting with its broadcast venue at the Kinabalu Room, Ground Floor, Menara Hap Seng, Jalan P. Ramlee, 50250 Kuala Lumpur on Thursday, 2 July 2020 at 10am to transact the following:-

AGENDA

ORDINARY BUSINESS

1. To table the audited financial statements for the financial year ended 31 December 2019 together with the reports of directors and auditors. Note 1

To consider and if thought fit, to pass the following ordinary resolutions:-

2. To re-elect the following directors who shall retire by rotation in accordance with clause 116 of the Company's constitution and being eligible, have offered themselves for re-election:-

Notes 2 & 4

- (a) Datuk Simon Shim Kong Yip, JP
(b) Ms. Cheah Yee Leng

3. To re-elect the following directors who shall retire in accordance with clause 122 of the Company's constitution and being eligible, have offered themselves for re-election:- Notes 3 & 4

- (a) Mr. Thomas Karl Rapp
(b) Mr. Tan Boon Peng

4. To approve the payment of directors' fees of the Company and its subsidiaries amounting to RM807,266.00 for the financial year ended 31 December 2019. Note 5

5. To reappoint Messrs Ernst & Young PLT as auditors of the Company to hold office until the conclusion of the next annual general meeting at a remuneration to be determined by the directors of the Company. Note 6

SPECIAL BUSINESS

To consider and if thought fit, to pass the following ordinary resolutions:-

6. **Authority to allot shares pursuant to section 75 of the Companies Act 2016**

"That subject always to the approvals of the relevant authorities, the directors of the Company be and are hereby empowered pursuant to section 75 of the Companies Act 2016 to allot shares in the Company at any time upon such terms and conditions, and for such purposes as the directors of the Company may in their absolute discretion deem fit, provided 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 of the Company be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company." Note 7

7. **Proposed renewal of and new shareholders' mandate for recurrent related party transactions of a revenue or trading nature**

"That subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with the related parties as set out in Part A, section 2.2 of the Circular/Statement to shareholders dated 29 May 2020, which are necessary for the day-to-day operations of the Company and/or its subsidiaries and are carried out in the ordinary course of business, at arm's length and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

That such approval shall continue to be in force until:-

- (a) the conclusion of the next annual general meeting of the Company, at which time the said authority shall lapse, unless renewed by a resolution passed at the annual general meeting; or
(b) the expiration of the period within which the next annual general meeting of the Company is required to be held pursuant to section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to section 340(4) of the Companies Act 2016); or

- (c) revoked or varied by a resolution passed by the shareholders in a general meeting of the Company,

whichever is the earlier;

and that the directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the proposed renewal of and new shareholders' mandate." Note 8

8. **Proposed renewal of share buy-back authority**

"That subject always to section 127 of the Companies Act 2016, the Company's constitution, Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and the approvals of all relevant governmental and/or regulatory authorities, the directors of the Company be and are hereby authorised to purchase ordinary shares in the Company through Bursa Malaysia Securities Berhad, provided that:-

- (a) the aggregate number of ordinary shares purchased and/or held by the Company as treasury shares shall not exceed 10% of the total number of issued shares of the Company;

- (b) the maximum funds allocated by the Company for the purpose of purchasing its own shares shall not exceed the total retained profits of the Company, based on the Company's audited financial statements for the financial year ended 31 December 2019; and

- (c) the authority conferred by this resolution shall continue to be in force until:-

- (1) the conclusion of the next annual general meeting of the Company, at which time the said authority shall lapse, unless is renewed by the passing of a resolution at that meeting, either unconditionally or subject to conditions; or

- (2) the expiration of the period within which the next annual general meeting of the Company is required to be held pursuant to section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to section 340(4) of the Companies Act 2016); or

- (3) revoked or varied by a resolution passed by the shareholders in a general meeting of the Company,

whichever occurs first;

and that the directors of the Company be and are hereby authorised to deal with the shares purchased in their absolute discretion in the following manner:-

- (i) cancel all the shares so purchased; and/or
(ii) retain the shares so purchased in treasury for distribution as dividend to the shareholders and/or resell on the market of Bursa Malaysia Securities Berhad; and/or
(iii) retain part thereof as treasury shares and cancel the remainder; and/or

- (iv) in any other manner as prescribed by the Companies Act 2016, rules, regulations and orders made pursuant to the Companies Act 2016 and the requirements of the Bursa Malaysia Securities Berhad and any other relevant authority for the time being in force, and further that the directors of the Company be and are hereby authorised to take all such steps as are necessary and/or enter into any and all agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time to implement or to effect the purchase of its own shares." Note 9

Resolution 7

By order of the Board

Lim Guan Nee (MAICSA 7009321)
SSM Practising Certificate No.: 202008003410
Company Secretary
Kuala Lumpur
29 May 2020

Resolution 8

Resolution 9

Explanatory notes to the Agenda:-

- Pursuant to section 340(1) and (2) of the Companies Act 2016 ("Act"), the directors shall lay before the Company at its annual general meeting ("AGM") its audited financial statements made up to a date not more than 6 months before the date of the AGM. This agenda 1 is meant for discussion only and will not be put forward for voting.
- Pursuant to clause 116 of the Company's constitution, at least one-third of the directors of the Company for the time being shall retire from office at every AGM and be eligible for re-election.
- Pursuant to clause 122 of the Company's constitution and paragraph 7.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, any director so appointed, either to fill a casual vacancy or as an addition to the board of directors, shall hold office until the next AGM of the Company, and shall then be eligible for re-election.
- Based on the satisfactory outcome of its review, the Nominating Committee had made recommendations to the board of directors that these directors be eligible to stand for re-election.
- Pursuant to section 230(1) of the Act, the Company shall at every AGM approve the fees of the directors of the Company and its subsidiaries. The directors' fees of RM807,266.00 excludes any directors' fees payable by its listed subsidiaries where their respective shareholders' approval has been obtained/is to be obtained.
- Pursuant to section 271(4) and section 273(b) of the Act, the Company shall at every AGM appoint its auditors who shall hold office until the conclusion of the next AGM.
- The proposed resolution 7 is to authorise the Company to allot shares pursuant to section 75 of the Act. This proposed resolution 7, if passed, will empower the directors of the Company to allot ordinary shares in the Company up to 10% of the total number of issued shares of the Company for the time being, subject to compliance with all other regulatory requirement and this authority will enable the Company to finance investment projects, working capital and/or acquisitions by issuing new shares as and when the need arises without delay or incurring costs in convening a separate general meeting. This authority, unless revoked or varied at an earlier general meeting, will expire at the conclusion of the next AGM of the Company.
As at the date of this notice of AGM, the Company has not issued any new shares pursuant to the authority granted by the shareholders at the last AGM held on 30 May 2019, which the authority shall lapse at the conclusion of this AGM.
- The proposed resolution 8 is to authorise the Company and its subsidiaries to enter into recurrent related party transactions ("RRPT") which are necessary for day-to-day operations, subject to the transactions being carried out in the ordinary course of business and on terms not detrimental to the minority shareholders of the Company. This would eliminate the need to make regular announcements to Bursa Malaysia Securities Berhad or convene separate general meetings from time to time to seek shareholders' approval as and when RRPT arise, thereby reducing substantial administrative time and expenses in convening such meetings.
Further information on the said RRPT is set out in Part A of the Circular/Statement to shareholders dated 29 May 2020 which is issued together with the Company's Annual Report 2019.
- The proposed resolution 9 is to authorise the Company to purchase its own shares up to 10% of the total number of issued shares of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of next AGM of the Company. Further information on the proposed renewal of share buy-back authority is set out in Part B of the Circular/Statement to shareholders dated 29 May 2020 which is issued together with the Company's Annual Report 2019.

Notes to the notice of AGM:-

- In view of the official guidance issued by the Malaysian government vis-a-vis the COVID-19 pandemic, the AGM will be conducted by way of a full virtual meeting through live streaming and online remote voting via remote participation and voting ("RPV") facilities. Such RPV facilities will be made available on Boardroom Share Registrars Sdn Bhd's website at <https://www.boardroomlimited.my>. Please follow the procedures as provided in the administrative guide for the AGM in order to register, participate and vote remotely via RPV facilities.
- The chairman of the AGM will be at the broadcast venue in compliance with section 327(2) of the Act. No shareholder/proxy shall be physically present at the meeting venue.
- A depositor shall not be regarded as a member entitled to participate and vote thereat unless his/her name appears in the register of members and/or record of depositors as at 25 June 2020.
- Subject to note 5 below, a member entitled to participate and vote at this AGM is entitled to appoint a proxy or proxies to participate and vote in his/her stead. Where a member appoints more than one proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy. The proxy or proxies need not be a member of the Company and there shall be no restriction as to the qualification of the proxy or proxies.
- Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account) as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit on the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account if holds.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing, or if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised. Such duly executed instrument appointing a proxy must either (a) be physically deposited at Ground Floor, Menara Hap Seng, Jalan P. Ramlee, 50250 Kuala Lumpur; or (b) be electronically deposited through the Boardroom Smart Investor Online Portal at <https://www.boardroomlimited.my>, not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.



44TH ANNUAL GENERAL MEETING (“AGM”) OF HAP SENG CONSOLIDATED BERHAD

Date : Thursday, 2 July 2020

Time : 10am

Broadcast Venue : Kinabalu Room, Ground Floor, Menara Hap Seng, Jalan P. Ramlee, 50250 Kuala Lumpur

ADMINISTRATIVE GUIDE FOR THE AGM

1. Remote Participation and Voting at Full Virtual AGM

- 1.1 In view of the COVID-19 official guidance issued by the Malaysian government, the AGM will be conducted by way of a full virtual meeting through live streaming and online remote voting via remote participation and voting (“RPV”) facilities. Such RPV facilities will be made available on Boardroom Share Registrars Sdn Bhd’s (“Boardroom”) website at <https://www.boardroomlimited.my>;
- 1.2 The chairman of the AGM will be at the broadcast venue in compliance with section 327(2) of the Companies Act 2016. No shareholder or proxy shall be physically present at the meeting venue; and
- 1.3 Shareholders or proxies are required to submit the request for RPV access no later than 10am on 30 June 2020, 48 hours before the time appointed for holding the AGM.

2. Entitlement of Participation in AGM

- 2.1 Shareholders whose names appear in the register of members and/or record of depositors as at 25 June 2020 are entitled to participate in and vote at the AGM;
- 2.2 Shareholders and proxies are encouraged to send in their written questions at least one week before the AGM, so that they could be adequately dealt with during the AGM. Such written questions could either:-
 - (a) be emailed to the Company at inquiry@hapseng.com; or
 - (b) deposited at the Reception Counter @ Ground Floor of Menara Hap Seng (Attention: Company Secretary of Hap Seng Consolidated Berhad).
- 2.3 In addition to 2.2 above, questions may be submitted at the Virtual Meeting Portal during the proceeding of the AGM.

3. Appointment of Proxy

- 3.1 Shareholders are encouraged to participate and vote at the AGM remotely via RPV facilities. If a shareholder is not able to participate in the AGM via RPV facilities, he/she may appoint another person or the chairman of the meeting as his/her proxy and indicate the voting instructions in the proxy form. The proxy form could (a) be physically deposited at the Reception Counter @ Ground Floor of Menara Hap Seng or (b) be electronically deposited through the Boardroom Smart Investor Online Portal at <https://www.boardroomlimited.my> no later than Tuesday, 30 June 2020 at 10am.
- 3.2 Corporate shareholders, authorized nominees and exempt authorized nominees are to refer to item 6 below.

4. Poll Voting

Poll voting at the AGM will be conducted electronically (“e-Voting”) with Boardroom appointed the poll administrator and GovernAce Advisory & Solutions Sdn Bhd appointed the scrutineers to verify the poll results.

5. e-Voting Procedure

- 5.1 Step-by-step e-voting procedure will be explained by the poll administrator at the AGM;
- 5.2 e-Voting could be cast via smart mobile phones, tablets or computers, using one of the following three methods:-
 - (a) Download the free Lumi AGM from Apple App Store or Google Play Store prior to the AGM; or
 - (b) Scanning the following QR Scanner Code; or



- (c) Using website URL <https://web.lumiagm.com/>

6. Registration for Remote Participation and Electronic Voting

Step-by-step procedure for registration:-

Step 1 – Register Online with Boardroom Smart Investor Portal (for first time registration only)

[Note: If you have already signed up with Boardroom Smart Investor Portal, you are not required to register again. You may proceed to Step 2. Submit request for Remote Participation user ID and password.]

- (a) Access website <https://boardroomlimited.my>;
- (b) Click <<Login>> and click <<Register>> to sign up as a user;
- (c) Complete registration and upload softcopy of MyKAD (front and back) or passport;
- (d) Enter a valid email address and wait for Boardroom’s email verification; and
- (e) Your registration will be verified and approved within one business day with which an email notification will be sent to you.

Step 2 – Submit Request for Remote Participation User ID and Password

[Note: The registration for remote access will be opened on 29 May 2020]

Individual Shareholders

- Login to <https://boardroomlimited.my> using your user ID and password above;
- Select “Hybrid / Virtual Meeting” from main menu and select the correct Corporate Event “HSCB 44th Virtual AGM”;
- Enter your CDS Account; and
- Submit your request after reading and agreeing to the terms and conditions.

Corporate Shareholders

- Write in to bsr.helpdesk@boardroomlimited.com giving the name of shareholder, CDS account number accompanied by the certificate of appointment of corporate representative or form of proxy to submit the request; and
- Provide a photocopy of the corporate representative’s MyKad (front and back) or passport together with his/her email address.

Authorised Nominee and Exempt Authorised Nominee

- Write in to bsr.helpdesk@boardroomlimited.com giving the name of shareholder, CDS account number accompanied with the form of proxy to submit the request; and
 - Provide a photocopy of the proxy holder's MyKad (front and back) or passport together with his/her email address.
- (a) You will receive a notification from Boardroom that your request has been received and is being verified;
- (b) Upon system verification against the AGM's record of depositories, you will receive an email from Boardroom confirming your registration for remote participation together with your remote access user ID and password; and
- (c) Closing for submission of request is at 10am of 30 June 2020 (48 hours before the AGM).

Step 3 – Login to Virtual Meeting Portal

- (a) The virtual meeting portal will be open for login at 9am of 2 July 2020 (AGM to commence at 10am);
- (b) Follow the steps set out in the email referred to in Step 2(b) above;
- (c) The live web cast will end and the Messaging window will be disabled when the chairman closes the AGM; and
- (d) You can logout from virtual meeting portal.

7. Procedure for Virtual AGM

- 7.1 The Login User Guide for participation, posting questions and voting at the AGM, will be emailed to shareholders together with their remote access user ID and password to login to the Virtual Meeting portal once their registrations have been approved;
- 7.2 No recording or photography of the AGM proceeding is allowed; and
- 7.3 It is the sole responsibility of the shareholders at their own costs and expenses, to be and stay connected to the Internet in order to participate and vote during the AGM. Quality of the live streaming is dependent on the bandwidth and stability of the internet connection of the respective remote participant.

8. Vouchers or Door Gifts

There will be **NO** vouchers or any door gifts for shareholders or proxies who participate in the AGM.

9. Enquiry

Should you have any query, please contact Boardroom at 03-7890 4700 or email to bsr.helpdesk@boardroomlimited.com.